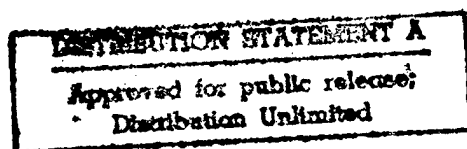


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4 September 1985

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AUSTRALIA

BRIEFS

OIL EXPLORATION TALKS WITH SRV--Australia's biggest industrial company, BHP [Broken Hill Proprietary], has initiated discussions with authorities in Hanoi on possible involvement in oil exploration in Vietnam. A BHP delegation has just returned from Hanoi, and further discussions are expected. A company spokesman said BHP, in conjunction with an American oil company, had an agreement in the 1970s with the deposed South Vietnamese regime for oil exploration in the South China Sea, south of Con Son Island. This agreement had lapsed with the fall of the regime in 1975, and the area then under consideration for exploration was then subject to a territorial dispute with China. The spokesman said the discussions which had just taken place with the Vietnamese authorities related to other offshore areas. [Excerpt] [Melbourne Overseas Service in English 0830 GMT 4 Aug 85]

NEW HELICOPTERS FOR NAVY--The Federal Government has signed a contract for the purchase of helicopters to operate from the Navy's four guided-missile frigates. The initial commitment, at a cost of \$250 million [Australian dollars--FBIS], is for eight Sikorsky Seahawk helicopters, their sensor and weapons system, and support equipment. Defense Minister Beazley said the signing of the contract followed the government's endorsement of Sikorsky's plan for Australian industry participation. [Summary] [Melbourne Overseas Service in English 0430 GMT 1 Aug 85]

CSO: 4200/1332

LAOS

PARTY MOURNS REVOLUTIONARIES KILLED BY RLG

Vientiane PASASON in Lao 24 Jun 85 p 2

[Article by Pamaly Thammavong: "The Tree of the Engraved Bitterness of the People of Sam Meuan Meuang Feuang"]

[Excerpts] Before the establishment of the LPDR, Sam Meuan Meuang Feuang [Vientiane Province--FB's] for many decades was a secret sanctuary for the national liberation movement and the establishment of the revolutionary administration.

Consequently, Sam Meuan Meuang Feuang had become a terrifying area for the enemy during the old times. The Central Lao Patriotic United Front of that period had a truly proper and correct direction and policies for the national liberation struggle, in line with the ideology of the entire Lao people. The hill tribe peoples and the people in urban and rural areas all supported the struggle.

More and more people joined the liberation movement to implement the national liberation plan and to seize independence. This regularly made the sanctuary so much stronger that we had people in power administering the villages, cantons and districts in Vang Vieng and Meuan Feuang Districts. They were in united fronts, directly guiding puppet administrations, from 1960 to 1965.

This area covers 7,200 square kilometers. It is a mountainous area and the jungle covers two-thirds of it, with only a long plain stretching between valleys and the deep rivers of Nam Lik, Nam Tong, Nam Hang and Nam Tin. The population is 29,510, with 14,415 men. There are three ethnic groups: 20,604 lowland Lao and 2,184 midland Lao; the rest are highland Lao. The economic foundation consists of only 600 households working lowland rice fields and 2,432 households working in both lowland and midland rice fields; the rest earn their living working in midland rice fields. The people of Meuang Feuang District formerly relied heavily on natural factors in earning their living, but were able to firmly defend their sanctuary.

In 1964, in line with the directives of the Central Lao Patriotic United Front, all the revolutionaries of this rich district of Meuang Feuang stood up to change the direction of struggle against reactionaries, who had sold out the nation and carried out and followed the aggressive schemes of the

American imperialists, their ring leaders. The American imperialists exerted their efforts to wage violent attacks and seize the sanctuaries of the Central Lao Patriotic United Front. During this period, the Sam Meuan Meuang Feuang area, as well as other districts, were seized by the enemy. They worked hard to eliminate and savagely suppress the patriotism of the local people to implement the plans of the American imperialists, which stated that patriotic people who were accused of being communists had to be totally eliminated. They exerted their very highest efforts to instigate wars and create spies by selecting common soldiers and high ranking officers and screening for reactionary families who had forgotten their own nation, conspired with them, disguised themselves as refugees and resettled in this area. These people spied out the true patriots and revolutionaries and our party members who had become established in this area. They set up military bases in Ban Done, Phou Vieng Mountain and at the summit of the Pha Tho No Kham Cliffs. They expanded their forces and set up bases in the villages of Ban Hin Heub, Ban Meuang Feuang, Ban Nong Phet, Ban Pak Hang and Ban Phonthon by joining up with unpatriotic people who had been "planted" around each site to spy on and lure the patriots in this area. During that period, the enemy took an area around a bonsai tree nearby the foot of Pha Tho Nokham Cliff as a place of torture for interrogating and executing revolutionaries. Counting from 1964 to the day when power was completely seized throughout the entire country, the enemy killed 79 party members, cadres, revolutionaries and patriotic people in the Sam Meuan Meuang Feuang area.

This writer was honored to participate in the general congress of the party committee of Meuang Feuang District that was held during the morning of 6 June 1984 and to witness the tears of Comrade Chan Fon Thongnala, district party secretary general, and of all 70 party members and regular representatives who attended the congress. During his political report, Comrade Chan Fon Thongnala, secretary general of the district party committee, spoke about the bonsai tree and named all the party members and revolutionaries who had been hanged there. He then invited the congress to stand and pay their respects to them, as 200 eyes filled with tears of the utmost bitterness.

12597

CSO: 4206/148

LAOS

COMMENTARY ON PHOUN INITIATIVE, THAI RESPONSIVENESS

Vientiane PASASON in Lao 20 Jul 85 p 1

/Commentary: "Discussion Is a Basic Element in Peaceful Problem-Solving"

/Text/ At a news conference held in Vientiane on 11 July by the Lao Ministry of Foreign Affairs concerning the content of the letter sent by Mr Phoun Sipaseut, the LPDR minister of Foreign Affairs, to Mr Siddhi Savetsila, the Thai minister of Foreign Affairs, Mr Soulivong Phasitthidet, vice minister of Lao Foreign Affairs, emphasized the sincerity and good intentions of Laos in protecting and improving the fine fraternal and neighborly relations between the peoples of Laos and Thailand.

The sensible, well-meaning, and sincere Lao proposals both previously as well as now can really be proven. The proposal of the LPDR Ministry of Foreign Affairs on 6 June, the letter of Mr Phoun Sipaseut on 1 July, and other documents along with sincere actions actually carried out by Laos have all provided explicit explanation and confirmation. Although there are still many problems in Lao-Thai relations that have not yet been solved, e.g., the three-village issue created by the Thai where Thai troops still occupy many locations in the area, the Lao people abducted into Thai territory have not yet been sent back to their own homes, and the fact that the Thai have not yet paid the local people for damage done by the Thai troops when they occupied the three Lao villages, and many others, the Lao side continues to endure the most because of its sincere intention to improve Lao-Thai relations and to cherish the beloved heritage and solidarity between the peoples of Laos and Thailand, and because it sees the interests of the people of the two countries as being of the utmost importance. The Lao side thus does not set any conditions on the talks, as clearly demonstrated by Mr Phoun Sipaseut's letter on 1 July. The good intentions of Laos open a path to the conference table. The Thai side should do the same if they are sincere in solving the problem together. Politicians must be well aware that no matter how serious world problems and international tensions are, they must ultimately be solved by discussions. The Thai side used to say that they wanted talks, but they closed the door to discussions while the Lao door has always been open wide. What is worse is that their propaganda openly slanders the good intentions of Laos in many ways,

including the placing of all the blame on the Lao side even though they are the ones who were the cause of all the problems and difficulties. This demonstrates the evil intentions of the Thai who still want to maintain the tension between Laos and Thailand, and who wish to destroy the possibility for a meeting between the Indochinese and the ASEAN nations for the purpose of solving the area's problems.

These Thai actions probably will not be any good for Thailand and its people, and instead they indicate that the Thai administration has not yet been able to free itself from third-country influence in both domestic and foreign affairs. This is because all the obstacles and rejection to the talks are meant to maintain the tension and are only of benefit to the alien reactionary power. It is certain that these acts will damage the image of the Thai government in the eyes of the Thai people and the peace and justice-loving peoples of the world. There is a good reason for the Thai to rethink and review their past acts and then sincerely and unconditionally respond to the Lao proposals by appointing their own delegation to open talks with the Lao, because talks are better than no talks at all. Only talks will solve the problems in order to improve Lao-Thai relations according to the wishes of the people of our two countries.

9884

CSO: 4206/169

LAOS

FRONT OFFICIAL ASSESSES RELATIONS WITH THAILAND

Vientiane PASASON in Lao 19 Jul 85 p 3

/Interview with Mr Ounheun Phounsavat, assistant chief of the Mass Mobilization Committee and the United Front of the Party Committee on relations with Thailand by PASASON Reporters; date and place not specified

/Text As the Lao people of ethnic groups and the Thai and other peoples in the area are interested in improving Lao-Thai relations, Mr Ounheun Phounsavat, assistant chief of the Mass Mobilization Committee and the United Front of the Party Central Committee, granted an interview to PASASON reporters on this matter.

/Question Today there is increased interest in Laos concerning Lao-Thai relations. In order to help those who are interested in this matter to understand more about it, please give us your update on Lao-Thai relations.

/Answer In this matter I believe that the documents announced by our Ministry of Foreign Affairs last year are clear. The Lao and Thai peoples have been blood relations since the beginning. We have similar culture, language, customs, and religion. The peoples of these two countries have been carrying on good fraternal relations. However, after we in Laos established a new regime, some of the power-holding clique in Bangkok who had acted as tools for outside powers continued their adversary position toward Laos.

They have been engaging in many schemes politically, economically, culturally, and militarily against our young LPDR, hoping to weaken us and to make us yield to their demands. This is the most important reason for the present tension in Lao-Thai relations.

The Lao side has always cherished the blood relationship between the peoples of the two countries, and wishes to expand the relations. With this intent the Lao Government signed the joint Lao-Thai announcement in Vientiane and Bangkok in January and April 1979, because we profoundly and clearly understood that signing this joint announcement not only responded to the longing and intense desires of the Lao and Thai peoples, but that it would also become a great benefit for peace and stability in

Asia and in the world. Thus, Laos has been doing everything it can to carry out this agreement. At the same time we have been longing and patiently waiting and hoping that the Thai power-wielding clique would do the same. But time has passed and we have not seen the Thai side coming up with any supporting actions. On the contrary, it appears to us that Thai leaders, e.g., those who favor warlord actions, are the ones who are continuing to tarnish Lao-Thai relations.

/Question/ Since early June to early July our Ministry of Foreign Affairs announced the sending of a letter to the Thai Ministry of Foreign Affairs. In this letter we proposed a new and impressive initiative on improving Lao-Thai relations. What has been the attitude of the Thai leaders to our proposal?

/Answer/ As I have just said, the Lao side has always cherished Lao-Thai relations, and has been deeply concerned on seeing these relations being destroyed. Thus, last year Laos untiringly made proposals again and again in order to improve the problem in Lao-Thai relations so that the people of the two nations could truly live together fraternally. However, the Thai leaders have been making excuses, and have rejected all of the Lao initiatives and creative proposals, as the following examples show.

In November 1984 Laos proposed joint talks with Thailand. Thailand rejected this, saying "It is not necessary because there is no longer any problem regarding the three villages."

In June 1985 Laos again proposed joint talks with Thailand regarding solving problems dealing with the interests of the two nations and also other international matters. However, the Thai side stated in the United Nations that the Lao proposal was a scheme with someone else behind it.

In early July we continued our proposals to the Thai to appoint a government-level delegation to meet with a Lao Government-level delegation in either Bangkok or Vientiane in order to bring about an overall improvement in Lao-Thai relations, including economic and cultural exchanges and the "Lao refugee" problem. However, the Thai leaders have rigidly kept the same position which was the rejection of government-level talks and instead to place the responsibility in the hands of localities to carry out talks among themselves.

/Question/ Consequently, in your opinion is there any way to help bring about Lao-Thai discussions?

/Answer/ What I have discussed clearly indicates that we have demonstrated our sincerity and good intentions, and also that we have been ready to talk with the Thai side. We set no conditions in advance, and even though the Thai leaders have second and third persons behind them we are ready to go to the discussion table. The issue is now left with the Thai side which itself closed the meeting room. The Thai side must be the ones who open the door to government-level delegations of both governments to meet together. This is a yardstick to measure the sincerity or insincerity of the Thai leaders.

LAOS

PROSPECTS FOR BETTER TRADE RELATIONS WITH PRC MOOTED

Bangkok SIAM RAT in Thai 21 Jun 85 p 2

/Report column by Chaiwat Yonpian: "China and Laos: Are Relations Improving?"

/Text Two or three days ago Thai diplomatic circles revealed that China is trying to restore relations with its southern neighbor Laos.

These diplomats said that China has a greater desire to approach Laos because it wants to decrease the influence of Vietnamese officials in Laos.

The detailed report said that China approached Laos with the recommendation that Laos restore normal trade relations with Beijing. Normal relations were discontinued by Laos not long after China gave Vietnam its first confused lesson in 1979 and sent soldiers running wild to instruct Vietnam after it first invaded Cambodia.

In any case, up until now there have been no reports from Vientiane of how Laos will respond to the attempts at friendship from Beijing, but secret reports from the Thai-Lao border area say that the trade across the border of the two countries between people living along the border has flourished this past year.

Today Laos and China both recognize that they never really had any problems with each other. The separation that developed to what can be called a severe degree came with the beginning of the estrangement between China and Vietnam, who have been enemies for the past 6 years. China was the one to decrease diplomatic relations with Laos, decreasing the number of Chinese officials in the Vientiane embassy--from the ambassador to the charge d'affaires--from over 40 to only 5.

During that time Vietnam sent "advisors" to "help" Laos with all sectors of the Lao Government, and Laos is perhaps in worse shape than before.

With the poor economic status of Laos, considered one of the poorest countries in the world, surely deep in the hearts of some Lao cabinet members the movement toward the receipt of Chinese aid for national development in terms of improved welfare must be "considered appropriate."

Today Laos receives much scattered aid. Three-quarters of its foreign aid comes from the Soviets through the Vietnamese, who are economically as bad off as Laos, and a small part comes from West Germany, Japan, Sweden, Australia, and the Netherlands.

Laos should have no trouble accepting China's good wishes but it may not be able to do anything because it must operate through the form of "advisory consultation" with its advisors. And the advisors of Laos who are spread all over the country comprise China's enemy Vietnam.

9937

CSO: 4207/251

LAOS

SRV-AIDED IRRIGATION PROJECT IN SAVANNAKHET NOTED

Vientiane PASASON in Lao 20 Jun 85 p 2

[Article by Sinothay: "New Step in Houay Sakhouang Irrigation Project"]

[Text] The Houay Sakhouang Irrigation Project is one of the large-scale irrigation system construction projects for Savannakhet Province that has been facilitated through cooperation between Lao and Vietnamese workers, particularly workers from Bin Che Thien, the twin city of Savannakhet.

The party committee and the provincial administration committee agreed to give funding of 47 million kip to this construction project, with the aim of improving and raising the earnings of the local people of Mouang Phin District, who had been hit hard by the previous war. This irrigation system will serve society by improving production, which had been dependent on natural factors, by changing it from isolated to collective production in the future. The irrigation system is located in front of the reservoir and covers 153 ha. It can collect a total of 12 million cubic meters of water and become a place for raising fish, which will give additional richness to this land.

From the start to the present, the survey and design of this irrigation project have been closely guided by the Ministry of Agriculture and Irrigation. The project has tightened cooperation between and the participation of Lao and Vietnamese development workers of Savannakhet Province and Bin Che Thien in responding to the requirements for making concrete blocks, digging ditches and water paths, working in various construction work, and calculating and drafting agreements on a main, secondary and short canals. The workers include those from Irrigation Companies 1 and 2 and Road Construction Group 9. (After the major canal has been completed, all canals will be connected right away. The Lao and Vietnamese workers are concentrating on working in accordance with the agreements.)

Lao and Vietnamese cadres and workers have finished making 314 cubic meters of concrete blocks. District LPRYU members, persons from Road Construction Group 9 of Tha Mouak River, and LPRYU members of Phin Tai and Na Thom Cantons jumped to work by snatching time on Saturdays and Sundays. They arranged to meet to dig out soil for covering the pipes near the water gates.

Volunteer labor workers have time to take a break during each shift. Comrade Deng, district party committee member and secretary of the executive committee of the LPRYU of Mouang Phin District, stated that, "Every Saturday and Sunday, in spite of the hot and burning sun, our LPRYU members also joyfully work and dig ditches. Each day of volunteer labor, LPRYU members dig and completely cover pipes with 80 cubic meters of dirt. In the future, they will work harder and accomplish more."

More than 90 percent of the planned Houang Sakhouang Stream water gate construction project will be completed, so only 10 percent of the plan remains to be executed. Presently, these people are actively and enthusiastically working to score achievements to commemorate the upcoming national anniversary on 2 December.

12597

CSO: 4206/148

LAOS

MINING OPERATIONS AT PHON TIOU COMPLEX REPORTED

Vientiane PASASON in Lao 24 Jun 85 p 3

[Article by Lakham Vanxai: "Visit to Mining Operations at Phon Tiou, Bo Neng, Nong Seuane"]

[Excerpts] I feel very proud to have had the opportunity to visit the tin mining complex at Phon Tiou, Bo Neng and Nong Seuane.

When I arrived at these complexes, I was welcomed warmly by Mr Khamkheuang, the general manager in charge of the three mining sites of Phon Tiou, Bo Neng and Nong Seuane.

According to the committee in charge of mining which informed me, the three mines started operations at the same time at the Phon Tiou, Bo Neng and Nong Seuane sites. Phon Tiou is the largest mining site. This smelting plant has many more crushers and screeners than Bo Neng and Nong Seuane. Phon Tiou has an international [standard] operating system. There are three systems with 200 jig tables, 400 workers and a modern machinery repair shop.

As for Bo Neng and Nong Seuane, the installed machinery systems are similar to that at Phon Tiou, but they are smaller and consist of only 2-3 crushers and screeners, 17 jig tables and 100 workers. However, other parts of their operations are the same [as those at Phon Tiou], such as digging and transport divisions for feeding and funneling the ore through pipes to crushers. When workers at the jig tables see that a container is filled with ore, the ore is then transported to a dryer and screen and packed and stored.

The cruel exploitation of the workers by the French and their bitterness combined with a perfect opportunity for the people of Laos to stand up to seize power in the entire country. Likewise, the workers of the three mining sites stood up and completely seized the three sites.

Under the guidance of the party, they have changed production at the three mining sites to a collective one, in complete cooperation with the USSR. This has gradually enabled these three plants to have economic, state and working class control.

When all controls had been completed and were in the hands of the working class and under the guidance of the party, the three mining plants of Phon

Tiou, Bo Neng and Nong Seuane were restored. Presently, there is a hospital, promotional school and children's day care center, and workers are being educated and trained in many areas, starting with political ideology, science, technology and business administration. These three mining sites have become places for expanding and promoting the role and guidance of the working class. Every worker is in charge and is the owner of the plan, and in charge of every task. Workers are promoting their collective mastery using their abilities and creativity within their working areas. They take responsibility enthusiastically.

In 1983-1984, these three plants were able to mine 790 tons of tin concentrate and exports were started. This has increased the impetus of the national economy and contributed to the task of socialist economic development in our country.

12597

CSO: 4206/148

JPRS-SEA-85-136
4 September 1985

BRIEFS

MONG RESETTLEMENT--Thirty-five Mong families of Vieng Thong District, Bolikhamxai Province, of which 15 are families from Ban Pheing Lao and 13 from Ban Bo Pha Keo, have been indoctrinated and follow the policies--as well as the plans of the party and the state--which the party committee has laid out for the provincial administration. They have happily come down to work on the plains on 25.9 ha of lowland rice fields. [Excerpt] [Vientiane PASASON in Lao 20 Jun 85 p 1] 12597

CO-OP DRIVE IN SAVANNAKHET-- Stepping into 1985, many hill tribe farmer families in Atsaphanthong District, which is now 1 of 10 districts in Savannakhet Province, are aware and have voluntarily eliminated the scattered and isolated production that they have been familiar with for many generations to turn to making their living in collective production and also to develop new lives in line with party and state policies. [They have done this] by donating all production means to be collective properties in cooperatives, such as cows, buffalo, draft animals, plows, hoes, shovels, rice fields and also their labor and their abilities. This has historically changed the face of the land of the Atsaphanthong District of 1985 and it is a turning point in the growth of farmers in leading on the national road to socialism. Comrade Khamakheuang, committee member of the district agriculture, irrigation and agricultural cooperative, gave additional details to the writer. There are 15 cantons, 200 villages and 11,824 households, with a total population of 69,700. Most of the hill tribe members are rice farmers and they own 12,500 ha of rice fields for production. To the present, hill tribe people in 98 villages in Atsaphangthong District have voluntarily set up agricultural cooperatives with a total of 6,680 households and 43,400 people on total cooperative rice fields of 8,592 ha, with 10,240 draft animals. Comrade Khamakheuang also additionally informed me that, "In the beginning of 1985, we were able to eliminate isolated production in six cantons, namely, Dong Kaleum, Nong Saeng, Kouthin, Phakkhagna, Donghen and Cheallanong Cantons. As for villages in other cantons, a production system and labor exchange unit are operating and they are preparing a basic foundation for establishing agricultural cooperatives in the future. [Excerpt] [Vientiane PASASON in Lao 27 Jun 85 p 2] 12597

CO-OP STORES IN VIENTIANE--In 1984, the trade and food supply [system] in Hat Xai Thong District, Vientiane Municipality, expanded and reached every basic

production area. Presently, there are 2 state stores and 57 cooperative stores with 26,285 [private] partnerships. These stores also brought finished products to sell and barter with the local people, with a value of up to 7 million kip. They also purchased a lot of the local people's production, such as 2,682 tons of rice paddy and 50 tons of processed rice and they collected 600 tons of rice as agricultural taxes. One district and two cooperative units are being established for buying meat from the local populace. [Text] [Vientiane PASASON in Lao 22 Jun 85 p 1] 12597

CHAMPASSAK COFFEE, TEA PRODUCTION--Along with producing consumer products, Champassak Province also is determined to expand widely commercial plantation crops, especially coffee. In 1980, it harvested 4,500 ha of coffee. In 1984, the total area under coffee cultivation was 12,600 ha, of which 7,961 ha was harvested. From this area, 3,245 tons of coffee beans were harvested, representing an increase of 4.7 times over the same period in 1983. Cardamom and tea plantations also are expanding strongly. Presently, there are 125 ha of cardamom plantations, of which 65 ha are ready for harvesting. In 1985, Paksong District will expand cardamom plantation to 180 ha. In addition, fruit orchards are being promoted widely, such as for bananas, mangoes, pineapple, durian, palm nuts and other fruits. Presently, Champassak Province is carrying out research on large scale production in combination with processing goods for export to develop a strong point for the task of developing and strengthening an agricultural and industrial economy. [Text] [Vientiane PASASON in Lao 22 Jun 85 pp 1, 3] 12597

SAYABOURY BANK DEPOSITS--Since January, cadres, workers, state employees, soldiers, police and hill tribe people in the seven districts of Sayaboury Province all have enthusiastically and widely brought their savings to deposit in the State Bank in their provincial branch. The total amount of savings deposited was 581,400 kip. Working class people in Paklay District have been an outstanding group; they brought 127,800 kip to put in the bank. [Excerpt] [Vientiane KHAO SAN PATHET LAO in Lao 21 Jun 85 p A5] 12597

CSO: 4206/148

MALAYSIA

MUSLIM RADICAL GROUP UNDER PROBE

Kuala Lumpur NEW STRAIT TIMES in English 14 Jul 85 p 4

[Text] Seremban, Sat--Police and officials of the State Religious Affairs Department are investigating a Muslim radical group believed to be trying to recruit followers from among the rural people.

The group, identified as As-Sunnah, was said to have distributed leaflets in an attempt to gather public sympathy and support in isolated areas.

State security sources said the authorities had been monitoring the activities of the group for quite some time.

"We are aware of the existence of this group which has managed to survive since Independence," said the sources.

The radical group mainly made up of youths between the ages of 20 and 30, had all along confined their activities to their members, but of late they seem to have gone on a wide publicity campaign.

Police tracking their movements raided a room in Wisma Sentosa in Kuala Pilah yesterday afternoon and seized about 240 pamphlets.

The group is believed to have 50 followers in Kuala Pilah district.

Police have detained a man for questioning. He was later released on police bail.

The pamphlets are believed to be illegally printed.

Menteri Besar Datuk Mohamed Isa bin Haji Abdul Samad said he had alerted the relevant authorities to conduct a thorough investigation on the activities of this group.

CSO: 4200/1316

MALAYSIA

VOMD WELCOMES PAS POLICY ON NON-MALAY MUSLIMS

BK060309 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 5 Aug 85

["News Report": "The PAN Malaysian Islamic Party Takes Unity Among Nationalities Seriously"]

[Text] Following the 31st congress of the Pan Malaysian Islamic Party [PAS] last April, the public has noted that the party is taking unity among nationalities seriously and is no longer an organization comprising a single nationality. Some commentators have pointed out in the press that the development is a challenge to the main components within the Barisan Nasional as well as an answer to the Barisan Nasional government's malicious [word indistinct] and slanders against Muslims.

According to reports, about 100 non-Malay Muslims have been accepted as party members since the party elected its new leadership in 1982 and adopted an open-door policy. Daniel Oon Abdullah, a representative of the PAS youth wing from the Federal Territory, was elected as a member of the Executive Board of the Youth Council of the party during this year's PAS youth congress.

The PAS annual congress was held in Kuala Lumpur from 14 to 16 April. Speaking at the opening and closing of the congress, Haji Yusof Rawa, who was returned as party president, repeatedly reaffirmed his party's determination to overcome all racial obstacles under Islamic teachings and set the establishment of an Islamic state as its long-term objective. His basic speeches were on the theme "The Muslims Act to Oppose Tyranny".

As many as 378 representatives from 126 party branches, who attended the congress, elected their national leaders. The main leaders were returned during the elections. The results show that the party is more united and ready to counter the un-Islamic Barisan Nasional government's action oppressing the Muslims.

When the congress was discussing proposals, chairman of the party's Ulemas Council Haji Nik Abdul Aziz Nik Mat said that general elections are an avenue for the party to take part in drafting laws in the state legislative assemblies and Parliament. A vice president, Uztaz Haji Abdul Hadi Awang, called on PAS members not to take impatient action, give consideration to a government white paper which was presented in Parliament recently, and worry

about the term "so-called extremists" as stated in the white paper because their party only accepts Koranic interpretations.

Answering questions from party members on the party's policy, PAS Deputy President Uztaz Fadzir Noh advised PAS members to avoid taking strong action to counter government discrimination against PAS members and supporters. He pointed out that elections are the only legal channel for the people to launch their struggle irrespective of victory or loss.

Haji [name indistinct], legal adviser and a member of the PAS Supreme Committee, advised party members to be careful and cautious in carrying out party tasks. He pointed out that the government has already hampered and will continue to hamper PAS activity with legal measures, forcing PAS to spend more time in the courts. He said that the police cannot deny their responsibility in the Lubuk Merbau incident in which a party member was killed and many more injured.

The congress approved many decisions, including one calling on all the people to be vigilant against the country's legal system putting pressure on the people. One of its proposals demands that the prime minister's department and the Haj Pilgrimage and Fund Board allow Muslims to go on pilgrimage freely without having to go through the board.

CSO: 4213/296

MALAYSIA

VOMD VIEWS POLICY OF DEMOCRATIC ACTION PARTY

BK060521 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 5 Aug 85

["News Report": "The Democratic Action Party is Ready for General Elections"]

[Text] In recent months, the Democratic Action Party [DAP]--the largest opposition party in the Kuala Lumpur parliament--has been mobilizing all party members to make active preparations for the next parliamentary elections. Party Secretary General Lim Kit Siang predicted that the general elections will be held not long after Mahathir returns from a visit to China this year. He reminded party members that the late former prime minister Razak called general elections following his visit to Beijing in 1974. Now, Mahathir also wants to draw votes by playing the China card.

In various party assemblies and state-level general meetings this year, Lim Kit Siang on many occasions urged all party members to enhance internal and external vigilance in the hope that success could be scored during the next elections. Following its failure in the April 1982 elections, the DAP successively won in three by-elections--in Keypayann, Raub, and Seremban.

The party actively voices the people's wishes in important issues pertaining to the national economy, life, and human rights not only within but also outside parliament. The DAP is the biggest threat to the component parties of the Barisan Nasional, particularly the MCA [Malaysian Chinese Association] and the Gerankan Party.

On 20 April, the DAP held its 7th congress in Penang. Speaking before the congress in his capacity as secretary general, Lim Kit Siang said that the selection of Penang as the venue for this year's congress shows that the DAP is turning the state into the most important front for the next general election. In the coming months, the party's political strength from various states will be pooled in Penang to enable the party to again play a political role in Penang.

The congress elected members of the new supreme governing board of the party. Dr Chen Man Hin, lawyer Lim Kit Siang, and lawyer Karpal Singh were maintained as party chairman, secretary general, and deputy chairman, respectively. Dr Tan Seng Giau is one of the three party vice chairmen. The two vice secretaries general are P. Patto and Lee Lam Thye.

In his basic speech, Lim Kit Siang emphasized the bad consequences of the New Economic Policy [NEP]. He said that the government clearly disclosed its main objectives and plan during the presentation of the NEP and the Second Malaysia Plan. However, the NEP has in fact strayed from its objectives. He went on to point out that the NEP has given birth to a handful of wealthy millionaires despite its objectives of eradicating poverty and restructuring society. These people have succeeded in accumulating millions of ringgit within a relatively short period, while the majority of Malay farmers, workers, and fishermen remain in misery. Large numbers of the non-Malay lower class are poor. Projects such as the Daya Bumi complex, the United Malays National Organization [UMNO] headquarters, and other complexes symbolizing the success of the NEP are meaningless for the poor people since what they need are cheap houses and plots of land.

Speaking before the congress, DAP Chairman Dr Chen Man Hin said that his party will gain support from more votes, adding that the party secured 20 percent of the total votes in the 1982 elections despite its failure, while the number of votes obtained by 13 component parties of the Barisan Nasional combined together was 50 percent [words indistinct]. Dr Chen Man Hin wanted all party members to be ready, disciplined, and united under a single objective and to generate all efforts to win the next general elections.

The 7th DAP congress passed many resolutions, including ones calling for the establishment of a royal commission of inquiry to openly investigate the Bumiputera Malaysia Finance loan scandal; calling on all the people to wholeheartedly establish a multiracial, multilingual, multireligious and multicultural country as part of the country's political development; condemning the Barisan Nasional government for illegally amending the 1974 Petroleum Development Act; calling on the government to lodge a strong protest with the Australian Government over an increase in academic fees for our students in that country; and asking the government to open more universities or allow the private sector to set up private universities or colleges.

CSO: 4213/296

MALAYSIA

VOMD VIEWS SOCIALIST PARTY'S POLICY POSITION

BK060749 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 5 Aug 85

["News Report": "The Malaysian People's Socialist Party Condemns the Abuse of Power by the Government"]

[Text] The Malaysian People's Socialist Party [PSRM], which is one of the opposition parties practicing socialism in our country, was formerly the People's Party of Malaya led by the late Ahmad Bustamam--a nationalist. Former PSRM chairman Kassim Ahmad left the party last year, renouncing his original political belief to seek a cabinet post. In fact, he has committed political suicide. He was very eager to surrender himself to Mahathir, but has so far received no response.

The results of the last parliamentary elections showed that the PSRM has a lot of support in large cities such as Johor Baharu and Penang. Some of its sympathizers are found among the local intelligentsia and our students abroad. Party Secretary General Hassan Abdul Karim has made statements reaffirming the party's stand on the people's democratic rights and the Barisan Nasional administration. For example, the party condemned the arrest of Haji Suhaimi Said, PAS [Pan Malaysian Islamic Party] legal adviser, by the Home Affairs Ministry under the Internal Security Act. In a statement dated 17 March, the PSRM condemned the Barisan Nasional government for abusing its power to intimidate opposition parties prior to the general elections.

The PSRM announced its new political manifesto and party program in November 1981. By detailing many examples, the PSRM reveals in its political manifesto that the Barisan Nasional is strangling democracy with sweet words, depending on foreign capital, implementing a capitalist economic policy resulting in more poverty for millions of the working people, and hampering the spread and development of Islam and national culture in the country. It says that component parties within the Barisan Nasional are playing racial politics, damaging unity among nationalities, and adopting a pro-U.S. foreign policy. In its general program, the PSRM reaffirms that it will inherit the tradition of the people's struggle against Portuguese, Dutch, and British colonialism and imperialism and fight for genuine national independence like the heroes in Malay history--Maharajarela, Datuk Bahaman, and Toh Janggut--as well as the former Malay Nationalist Party of Malaya.

CSO: 4213/296

MALAYSIA

VOMD REPORTS OPPOSITION CRITICISM OF GOVERNMENT

BK070404 (Clandestine) Voice of Malaysian Democracy in Malay 1215 GMT
5 Aug 85

["News Report": "The Social Democrat Party Condemns the New Economic Policy for Causing Racial Polarization"]

[Text] The president of the Social Democrat Party [SDP] of Malaysia, Ismail Hashim, has condemned the New Economic Policy [NEP] implemented by the Barisan Nasional government for causing racial polarization. Speaking before the party's third general meeting on 18 May, he said that the so-called NEP, education policy, housing policy, university admission quota policy, employment policy, and policy on various government contracts have racial connotations. He added that our children have become victims of racial polarization in schools and that all the people have been contaminated by a racially negative atmosphere, distrust, and vengeance. According to him, if the Barisan Nasional government were honest, it would first of all abolish all racially based political parties--such as the United Malays National Organization, Malaysian Chinese Association, and Malaysian Indian Congress--and then revoke all policies and measures that may split society and harm national unity.

The third SDP general meeting, held for 2 days in Ipoh, elected new Central Committee members. Ismail Hashim and Tan Yew Peng were returned as party president and secretary general, respectively. The general meetings' decisions call on the Barisan Nasional government to discontinue the implementation of the NEP, which is causing the racial polarization; abolish the Internal Security Act [ISA], the Emergency Amendment Act, the Organization Act, the Agitation Act, and unjust articles in the Constitution; immediately release all political detainees held under the ISA or bring them to open trial; abolish totally all acts restricting press freedom, including the 1984 Printing and Publication Act; and implement land reforms benefiting poor peasants with little or no land as well as workers and small businessmen.

Speaking at the opening of the general meeting, Ismail Hashim pointed out that various major national problems and equal distribution of national wealth cannot be tackled satisfactorily even though the country has been independent for 28 years. Urban and rural poverty is becoming even more serious. On the one hand, the Barisan Nasional government is spending hundreds of

thousands of ringgit on various so-called development projects, while on the other, an unestimated number of people are still struggling to survive. He said that the state wastes hundreds of millions of ringgit annually to implement expensive projects, which are enjoyed only by a handful of millionaires and their associates. However, these projects have no practical benefits at all.

An unestimated number of textile, electronics, tin mining, and construction workers are losing their jobs. Many more workers are prohibited from joining trade unions. The remaining construction and mining workers face industrial bankruptcy at any time. The Social Security Fund does not give them real benefits. He pointed out that, even though the government has admitted the existence of racial polarization, it still allows the situation to worsen. The symptoms of polarization have penetrated schools, colleges, universities, factories, and public service departments. Still, the government does not allow the public to study the causes of racial polarization. In fact, the causes lie in the policy implemented by the government over dozens of years. For example, the people are classified into the so-called Indigenous Group [Bumiputera] and Nonindigenous Group [Bukan Bumiputera]. Ismail Hashim said that his party will fight to establish a democratic, free, and peaceful state where all people are united regardless of nationality, class, religion, culture, and color.

The third SDP General Meeting passed measures pertaining to the people's welfare, including the eviction of inhabitants in Taman Chen Taik in Penang, compensation for inhabitants evicted from their land in Kampung Pisang, Ipon, the discontinuance of the production operation of the Asian W. F. Company Ltd, and so on.

On current international affairs, the party condemned the Soviet and Vietnamese invasions of Afghanistan and Cambodia, respectively, and called for the immediate withdrawal of their troops from those two countries.

Speaking at the party's unity dinner on 19 May, Secretary General Tan Yew Peng pointed out that, contrary to Barisan Nasional propaganda, our country is facing serious economic, social, and political difficulties. The poverty rate among rural inhabitants increased from 37.4 percent to 41.6 percent in 1983. The problems of the people without houses and land are even more acute, while millionaires and new upstarts are endlessly building skyscrapers, luxury mansions, and various amusement clubs. Touching on the so-called Malaysia Incorporated concept and plan to privatize public companies, he said that they will only intensify the people's difficulties. In conclusion, Tan Yew Peng called on the people not to be indifferent if they did not want the national wealth to be destroyed but preferred a free and united state.

CSO: 4213/296

MALAYSIA

VOPM CONDEMNS THAI EXHIBITION OF CAPTURED GOODS

BK070432 (Clandestine) Voice of the People of Malaysia in Malay 1230 GMT
5 Aug 85

["Short Commentary": "The Irksome Exhibition of Confiscated Goods"]

[Text] On 13 February of this year, under a handful of reactionary leaders, the southern Thai military authorities conducted a so-called encircle-and-crush strategic campaign in the south, codenamed "8502" against our army. With coordination between the Army and Air Force, the attacking enemy soldiers occupied two empty camps belonging to our army and seized some goods. To show off their battle success, they hastily arranged an exhibition displaying the confiscated goods in a big building at Betong intersection on 24 February. The authorities had actively spread propaganda 2 or 3 days earlier to win the people's sympathy. They called on the masses to visit the exhibition displaying the confiscated goods. As a result, not a few urban and rural inhabitants were interested in visiting the exhibition, and the public paid attention to what was displayed there. The exhibition stand was 70 square meters. In addition to an old 20-inch black-and-white television set, which was the most valuable thing among the displayed goods, the public could see for themselves, among other things, a machine made by our army to squeeze sugarcane, wooden rifles used for training, used shoes, ragged clothes, various objects used in art performances, and [words indistinct] banners of the party and the Malaysian People's Liberation Army [MPLA] used to celebrate the noble establishment of the Malaysian Communist Party [MCP].

Indeed, the people visiting the exhibition offered various viewpoints and responses according to their different knowledge. The visitors ignorant of our army were sceptical and curious during the relatively unusual exhibition. Their attitude was indeed understandable. A small number of visitors were merely indifferent. Their attitude was not surprising because they have been deeply influenced by various forms of reactionary propaganda over a long period. However, most of the visitors comprised those understanding, supporting, and sympathizing with the struggle of our army. Seeing the priceless confiscated goods, their hearts shook with [words indistinct] and vengeance against the reactionaries because the encircle-and-crush campaign launched by the southern Thai military authorities was not directed at groups of armed criminals kidnapping, extorting, killing, and threatening the local population but rather at the MPLA, which has contributed to the local

tranquility and defended the people's interests for a long time. Some of them even shed tears because they were worried about the position of our army at that time.

The reactionary southern Thai military authorities held the exhibition displaying the confiscated goods merely to show off their so-called brilliant success during this military operation. They tried to discredit our army and spread the slander that our army is not supported by the people by displaying ragged clothes and worn-out shoes left by our soldiers and several simple tools used by our army. The response they received, however, was the opposite. Their bad intentions ended in failure. After visiting the exhibition, some inhabitants said that aircraft, heavy artillery, ground troops, and the Air Force had been mobilized during the operation, adding that many soldiers had become victims. However, these goods were confiscated only after a difficult operation. The authorities were really shameless in holding the exhibition. Some others said that [words indistinct] are likened to robbers collecting fees and threatening tranquility with rifles in hand. Why have the shoes and clothes been patched? Robbers are not poor.

These short words are a profound reflection of the people's feelings in the large border areas. The masses are in fact intelligent. What they have said is true. The patched shoes and clothes reflect the noble nature of our army. Our army is thrifty and loves every object [words indistinct]. In fact, our army does not betray its nature as a people's army. The attempt to discredit our army through the exhibition has failed totally. The so-called exhibition on 24 February displaying the confiscated goods cannot in the slightest measure dim the noble image of our army. On the contrary, it has enable the masses to know some more about the nature of our army. In addition, it will enable some people who were originally ignorant of the MCP to know about our party. All this was not predicted by the organizers. The exhibition was simply closed the next day.

CSO: 4213/296

MALAYSIA

USNO, BERJAYA BOSSES STEP DOWN

Penang THE STAR in English 24 Jun 85 p 2

[Article by N. V. Raman]

[Text] Kuala Lumpur, Sun--For the past 20 years or so, Sabah politics has been dominated by the awesome twosome of Tun Mustapha Datu Harun and Datuk Harris Salleh, presidents of the United Sabah National Organisation (USNO) and Berjaya respectively.

Before the year is out, Sabah could well be rid of the direct involvement of the two in its daily affairs.

Both Tun Mustapha and Datuk Harris have announced that they would not seek re-election to their party posts this year--Datuk Harris has said that he will step down at the Berjaya congress in July and Tun Mustapha has announced that he would step down before the year is out, probably saving his retirement announcement for the USNO congress to be held later this year.

Writing off the two completely can prove to be foolhardy, as Tun Mustapha showed when he returned from political Siberia to lead USNO to win 16 seats in the April state election.

But what is likely to happen is that they will give up direct involvement and move into the background, away from the firing line, even as they continue to influence events from back-stage through the power they can command even now.

The frontline posts will go to the second-echelon leaders who have been waiting in the wings restlessly for the past few years to lead their parties--and that is what this year's elections in USNO and Berjaya are all about.

For both parties, free elections will be a somewhat unique experience. Neither have been known for their democratic principles in the past.

During Tun Mustapha's heyday as USNO president and Sabah Chief Minister from the mid-1960's until 1975, when he resigned as Chief Minister, it was said that the USNO leadership just read out the names of party leaders and the posts they were to occupy and the delegates at the respective congresses "unanimously elected" them into office.

The practice was followed in Berjaya by Datuk Harris--a one-time USNO secretary-general and vice-president--who, whenever he was criticised for lack of democracy in Berjaya, held up USNO as an example.

The added justification Berjaya had for not allowing free elections was that as a multi-racial party, it had to ensure that the racial balance in its leadership was maintained.

That was why if a Muslim was party president, the deputy was a Kadazan and a vice-president's post was guaranteed to a Chinese.

It was a justification that, in the end, was used to ensure that a hand-picked cadre was kept in all the top posts while those who fell out of favour were kept outside the leadership "club."

Ten years after its formation, Berjaya members will now finally have a chance to select their own leaders at the party's congress set for 14 July.

And in both USNO and Berjaya, two keen rivals have emerged as potential successors to Tun Mustapha and Datuk Harris, the founding fathers of USNO and Berjaya respectively.

The contest in USNO is likely to centre around the party's newest recruit--the brash, outspoken and volatile Datuk Yahya Lampong who was Berjaya Youth leader until he defected to USNO just before the April election--and the son of the party's founder, Datu Hamid Tun Mustapha, who is currently its secretary-general.

The similarity between the two likely challengers ends in the fact that they were both in Berjaya at one time--Datu Hamid was wooed by Datuk Harris after Berjaya took office by toppling USNO in the 1976 state election and was even appointed a State Minister.

That relationship, however, was terminated rather suddenly in 1983 when Datuk Harris accused Datu Hamid of plotting a coup against the Berjaya leadership and expelled him from the party.

Datu Hamid then joined his father in USNO and father and son took great satisfaction in leading USNO to its improved performance in the April election at the expense of Berjaya.

But if Datuk Yahya is outspoken, Datu Hamid is more of an introvert; where Datuk Yahya is brash, Datu Hamid is soft-spoken; and where Datuk Yahya is volatile, Datu Hamid is often a picture of calm.

Datuk Yahya is said to believe that he has the USNO presidency locked up. Those close to him say that the post was promised to him on Tun Mustapha's retirement by the maestro himself to lure Datuk Yahya over from Berjaya.

But if ever there was such a promise, Tun Mustapha appears to have changed his mind. A shrewd judge of character and a master tactician, he is now said to be calling in the chips from his supporters in USNO and lining them up behind his son.

Datuk Yayha's greatest weakness is Datu Hamid's greatest strength--the former has little links to the USNO power-brokers while the latter has known them all from the time he was a little boy.

Datuk Yahya's behaviour since he joined USNO and emerged as its principal spokesman--at times overshadowing even Tun Mustapha--has not exactly endeared him to the powerful warlords who consider him a usurper.

Some of them even wanted to push through a motion of no-confidence against him for leading the walkout of USNO Assemblymen from the first State Assembly sitting since the election but held back only because it would give an impression of a party in disarray.

There are many in the USNO circle of power who feel that if a choice for successor to Tun Mustapha is restricted to between Datuk Yahya and Datu Hamid, the son should take over the mantle of the father.

If the internal power struggle should threaten to undermine the party, however, USNO has always got a compromise choice who is well-liked by its grassroots members and well-regarded by even his enemies--the party's present deputy president, Datuk Haji Sakaran Dandai.

He has held his bastion of Sulabayan against all odds, even winning it when the rest of the party was devastated by Berjaya in the 1981 state election, and continues to be regarded with affection and respect.

His only drawback is that he is one of the old-guard and if he does take over, the party could well lose the support of some of the younger Muslim Sabahans attracted by the prospect that USNO, given its Muslim image and ideology and the growing numbers of Muslims in Sabah, could well come into office in the not too distant future.

Over in Berjaya, Datuk Harris' announcement of his retirement has already triggered off what could well be a titanic struggle for the party presidency.

Berjaya deputy president Datuk Dr James Ongkili has thrown his hat into the ring as has party secretary-general Datuk Haji Muhammad Noor Mansor.

Berjaya supreme council member Datuk Ayub Aman has also been nominated for the top post but is unlikely to join the battle. Nominations close on 1 July and there is already a general expectation that the contest will be between Dr Ongkili and Datuk Haji Muhammad Noor.

The mild-mannered Dr Ongkili's ace is that he is also Federal Minister of Justice and Minister in the Prime Minister's Department and his pitch is likely to centre around his appeal that Berjaya must send a clear message to Kuala Lumpur that there will be continuity in the party and no apple-carts will be upset.

But his greatest strength is also his Achilles' heel--having been away from Sabah, there has been some erosion in his support.

His credibility among the Kadazans, who form the mainstay of Berjaya, has been shot to bits by his decision to oppose Datuk Pairin in the April State election and his earlier perceived inability or refusal to help the community through Berjaya.

The younger Kadazans have little respect for him or his accomplishments, of which there have been some although the one they best remember is that he was the man who wrote the Kadazan hit song "Jambatan Tamparuli."

And with Datuk Pairin and the PBS now in power the academically inclined Dr Ongkili is unlikely to get any votes from Berjaya's Muslim members, who want the party to be led by one of them.

That leaves Datuk Haji Muhammad Noor with an excellent chance of being elected. The first bumiputra lawyer from Sabah, his credentials are marred only by his detention under the Internal Security Act (ISA) in 1976.

His supporters have claimed that the arrest was prompted by Tun Mustapha and that Datuk Haji Muhammad Noor's subsequent acceptance by Federal leaders was evidence that they had nothing against him.

Unlike many Berjaya leaders, Datuk Haji Muhammad Noor has also carefully nurtured his grassroot support in the party. It is support that comes from Muslims, Kadazans and Chinese. Some even say that he enjoys more support from the Kadazans than even Dr Ongkili because of his efforts in helping raise funds for the building of two churches.

A man who is deeply committed to Berjaya's multi-racial concept and the belief that Sabah's racial, cultural and religious diversity is a strength rather than a weakness, he is at the same time concerned with the polarisation that has become obvious to any watcher of the Malaysian scene.

The major point of resentment against him, however, is what many people believe to be his arrogance--a perception which is, however, not borne out by those who know him well.

He has gone out of his way over the past few weeks to correct the perception and mend political fences and his attempts appear to be paying off.

There have been indications that he will be joined by a running mate in the election and at present, the bets are that Berjaya vice-president Datuk Clarence Mansul will align himself with Datuk Haji Muhammad Noor and go for the deputy presidency.

It is a ticket which will have the continued Berjaya balance of a Muslim president and a Kadazan deputy president and, barring unforeseen circumstances, it looks at the moment like a winning ticket.

But unforeseen circumstances are what Sabah politics tend to be about and those jostling for the top posts in USNO and Berjaya could well have their apple-carts upset by the two incumbent party presidents and the roles they play in their succession.

Politicians, after all, have been well known to have a change of heart when the final reality of having to give up power finally sets in.

CSO: 4200/1316

MALAYSIA

CHEMICAL WARFARE STUDIES FOR ARMY MEN

Penang THE STAR in English 7 Jul 85 p 4

[Text]

KJ.UANG, Sat. -- Biological and chemical defence studies will be introduced at the Army Engineering School here from early next year.

Selected officers will be sent to the United States, Britain and Australia, where they will be trained as instructors.

Three officers have already been sent overseas on a two-week crash course and more will be sent to familiarise themselves with biological and chemical warfare.

This is the first time such studies will be made available in the country.

A Defence Ministry spokesman said the army felt that brains, rather than mere brawn, were required for the type of sophisticated warfare that is being fought today.

He said the move to introduce bio-chemical defence studies stemmed from reports that bacteria and chemicals were allegedly used in Kampuchea and Afghanistan against resistance groups.

The spokesman said it was better to be prepared for such warfare so that adequate counter-measures could be taken in the event of a conflict.

The school's commandant, Lt-Kol. Goh Boon Pah, said between 200 and 300 trainees would be accepted for the course each year.

He told reporters during an official visit by the Sultan of Perak, who is the colonel-in-chief of the Army Engineer Corps, that selected officers would be chosen to become instructors for the course.

This is the first time the Sultan has visited the school since he became the supreme head of the corps after ascending the Perak throne.

The Sultan and Raja Permaisuri Perak were met by State Religious Affairs Committee chairman Datuk Yunus Sulaiman who represented the Johore Government, the Army Engineer Corps chief Brig.-Jen. Datuk Raymond Chen and other VIPs.

The sultan inspected a guard of honour comprising 105 officers and men from the school and was briefed on the school's aims and achievements.

The Sultan then attended a bridge-building demonstration, an exhibition of unarmed combat and a bomb disposal exercise.

He was also shown the various types of booby-trap used by the enemy.

The Sultan and Raja Permaisuri Perak later attended a shooting competition before leaving for Kuala Lumpur.

CSO: 4200/1316

MALAYSIA

FIRST SUBMARINE POSSIBLE BY 1990'S

Kuching THE BORNEO POST in English 9 Jul 85 p 3

[Text] Kuching, Mon--Malaysia may buy its first submarine by the next decade, depending on the availability of funds, Deputy Defence Minister Datuk Abang Abu Bakar Mustapha said last Sunday.

He told BERNAMA here that the government was interested in buying a small submarine to beef up its defence facilities.

"We will seriously study the matter by the end of the Fifth Malaysia Plan and if we have the money, we may buy one during the Sixth Malaysian Plan," he said.

He added that even right now the ministry was "looking around" for a suitable submarine which could meet the country's requirement.

"It will not be in the nuclear class but sufficiently good enough for our needs," he said.

Datuk Abang Abu Bakar said the government was interested in having its own submarine because it was becoming a vital part of the country's defence facilities.

He also did not rule out the possibility of the submarine being bought from the Sabah Shipyard if the shipyard decided to process with its proposal to build such vessels.

"It is our intention to encourage the purchase of local items if they meet our requirements," he said.

Regarding the on-going study being made on the strength and needs of armed forces reservists, Datuk Abang Abu Bakar said that owing to a number of reasons, it could not be completed on schedule.

The study, which began last year, was due to be completed by early this year but because of staff shortage and other difficulties, it was now only likely to be completed later this year.

Datuk Abang Abu Bakar said it was hoped that as a result of the study, more efforts would be made to encourage civilians to sign up as reservists.

"Right now, the reservists are mainly in the army and we hope to get more civilians to join in the air force and the navy as well," he said.

The findings of the study and its recommendations would be submitted to the cabinet, he added.

CSO: 4200/1316

MALAYSIA

BRIEFS

THAI BORDER DEMARCATION WORK--The director for operations and planning of the Defense Ministry, Admiral Datuk Yakob Haji Daud, has said in a briefing that 12 members of the security forces have been killed in clashes with terrorists as well as by booby traps over the past 12 years since the work to demarcate the Malaysian-Thai border began. Five others have been wounded. Meanwhile, 17 Thai soldiers have been killed while 23 others have been wounded. The work to demarcate the 636-km border, which began in 1973, is carried out by surveyors from the Royal Thai Surveying and Mapping Department. Eighty percent of the demarcation work has so far been completed. The mapping work in other areas along the border is expected to be completed by September this year. [Text] [Kuala Lumpur Domestic Service in Malay 1230 GMT 3 Aug 85]

CSO: 4213/296

PAPUA NEW GUINEA

BRIEFS

BOUGAINVILLE COPPER PRODUCTION--Bougainville Copper Ltd produced 41 050 tonnes of contained metal for the second quarter of this year, to June 30, 468 tonnes more than for the second quarter of 1984, but production of gold and silver dropped. Its gold output totalled 2801 kg against 3814 in 1984 and silver, 10 572 kg against 10 949 for the second quarter of 1984. [Text] [Sydney THE SOUTH SEA DIGEST in English 26 Jul 85 p 2]

CSO: 4200/1358

PHILIPPINES

MARCOS INTERVIEW ON INSURGENCY, POLITICS, U.S. RELATIONS

Broadway THE NATIONAL TIMES in English 28 Jun-4 Jul 85 pp 17-19

[Interview with President Ferdinand Marcos by Philip Brooks and Patrice Barrat of Gamma Television in Paris, recorded for television 29 May 85: "Remember Napoleon, Remember Alexander"]

[Text] **P**RESIDENT Ferdinand Marcos, 67, walks stiffly into the first-floor library, lined with books and paintings of Filipino folk heroes. A chandelier sparkles and Marcos seats himself on a pile of silk cushions, ruffled attentively by an aide, behind a large oak desk.

There are few traces of the college athlete left in the President's demeanour. When searching for the right phrase, his eyelids flutter shut, not from tiredness but from concentration.

He never rises to the bait of unfriendly questions, brushing them aside with a joke, cleverly drawing the questioner into his reply. At times he cuts into questions, before laughingly apologising and asking us to continue.

When making a point, Marcos jabs the air with his right hand. At more difficult moments — for him — of the interview, he leans back in the chair, squirms and turns the scarlet spot on his already shiny-skinned right cheek direct to the camera. He searches for words before enunciating a justification for his 20-year rule.

The figures he cites are often at odds with Filipino reality. At these moments the Minister of Information, Gregorio S. Cendana, who stands valet-like in the corner, sweats, takes off his glasses and rubs them nervously.

A palace TV crew films the President's every word. The two dozen or so aides and lackeys in the room pretend to hang on every declaration. During a short break one of them comes up to us, comparing the case of General Ver to that of Dreyfus in France early this century.

General Fabian Ver, close friend and stalwart of Marcos and Army Chief of Staff

until he took a "voluntary" leave of absence, is the highest-ranking military official accused of plotting the murder of Benigno "Ninoy" Aquino, Marcos' chief political rival and long-time martial law prisoner. Aquino was killed by a bullet in the head on August 21, 1983, on his return home after four years exile in the United States.

Twenty-two months after Aquino's death and the wave of aftermath protest demonstrations which shook the Marcos regime, the President remains firmly in control of every decision. In the provinces, though, the communist rebels are now operating in all parts of the archipelago, and on the southern island of Mindanao control huge swathes of both urban and rural territory.

When Marcos, dressed in the traditional collarless white embroidered shirt, enters this room on the first floor of the rambling Spanish-style Malacanang Palace, the space is transformed into a court.

Marcos is a one-man show. For 20 years he has ruled the culturally and ethnically eclectic Philippines, sheering between initiating reforms and cracking down hard on opponents. He still claims to believe in the velvet glove and iron fist approach, though whatever economic reforms are introduced inevitably turn to the profits of a few of the President's close associates. Such is the Marcos system, such is the Philippines today.

Marcos muses on his heroes in history, Marcos denies his wealth and the extravagances of his wife, Imelda, former beauty queen and though fading in looks, a consummate politician who has placed her men in key positions in the army and ruling party ready to move if Marcos' health — he suffers from a

rare liver complaint — gives out.

Dreaming of being remembered as a reformist President, Marcos risks going down as the President of martial law, creeping impoverishment and massive debt. Yet, since he refuses any alternative to himself, he remains in power and the Philippines remains governable. It is his disappearance that risks catapulting the country into full-scale disorder.

★ ★ ★

Q: Mr President, your Government has undergone a serious economic and political crisis these last 21 months. There has been speculation about your health. Yet here you are, still in complete control. How did you do it?

Marcos: I've been exercising. I do my usual regime in the morning as soon as I wake up. They don't allow me to jog anymore, but I walk fast, 10 minutes per kilometre, push-ups, sit-ups, light dumbbells.

Q: And what about the political and economic situation?

M: We are also exercising that. *(Laughs)* The political situation is such that it probably ultimately will depend on the economic situation, but if you include the insurgency in the political dimension, insurgency has to be met with different weapons.

We meet it with two hands, the right and the left. The right is the strong arm of the military, the left is economic development.

Economic development may meet substantially or almost all the problems of politics because the subversive terrorists do utilise almost any economic difficulty, whether a legitimate grievance or not, for purposes of gaining popular support — this is axiomatic.

The effort, therefore, should be two-pronged. While the military is active in eliminating violence, you must also eliminate the causes of grievance, whether legitimate or not.

Q: Is the country still feeling the effects of the Aquino assassination?

M: I would say there is a fallout which lasted for about one year but as of now the surveys that we have conducted in the various provinces and municipalities don't indicate that the Aquino assassination has affected my following or that of the ruling party, although here in Manila you still see pockets of it.

Q: You said after the assassination that no military person could have been involved in the killing without your knowledge, yet now as the trial of top ranking military officers, including former Chief of Staff General Ver continues, witnesses for the prosecution have said that only a military person could have shot Aquino.

M: Do you believe those witnesses — oh come on ...

Q: They are witnesses for the prosecution.

M: Yes, yes, but as will probably be shown, those witnesses have been perjured.

Q: Yet a Japanese press photographer has presented a sequence of photos which suggests the same evidence.

M: The sequences were not made by the Japanese. They were made by the legal advisers of the Agrava commission, they made it on their own and that is why when they were asked, "Are these sequences the natural flow of events?" they said, "no we arranged it". *(Laughs)* What did Mr Narvasa, the chief legal adviser, say? This report is hearsay, it is not acceptable as evidence.

Q: What is your ultimate conviction today?

M: My feeling is this: that I should not comment on whatever is happening in court. After all, this matter might come up to me on some kind of administrative appeal and one never knows we should also not undermine the power and authority of the Sandigan Bayan, the special court which is authorised to try the court.

Q: But if the court convicts the military?

M: We will come to that.

Q: Will you take personal responsibility?

M: For the military ... Of course not, if they convict them for having plotted, limit it to those who plotted. Why should I get involved? We will face it as soon as we know what the result is.

Q: Do you consider it an affront to the Philippines or to you that President Reagan has not repaid your state visit to Washington? *(After Aquino's assassination in August 1983 the Philippines was scrapped from the itinerary of Reagan's Asian tour.)*

M: I was the one who suggested to him that if it takes too much of an effort to come here we don't need his visit that much. There was no need for him to come here.

I understand that some ASEAN countries felt offended, but our relationship with the United States has been long enough for us to consider them not only as allies but also as brothers. We fought in the war together, we know the idiosyncrasies of the Americans, we know how their soldiers in the front lines are and we know how their soldiers in the back country are.

Q: Do you expect Reagan to visit during his second term?

M: Will Reagan visit? I haven't much thought about it.

Q: With the US Congress reluctant to grant aid to your Government without reforms and with William Casey, head of the CIA, visiting you in Manila recently, do you fear that people think that the Americans are treating you like another Shah of Iran or another Somoza?

M: No, I think that it's all a lot of hot stories being built up by some of the correspondents who don't have a good story to write.

Like this Bill Casey, director of CIA, supposedly telling me that the American Government wants an early election. That would be inappropriate — and the American Ambassador here said so. Telling me what to do about elections — My God, who do they think they are? (Laughs) Who does this correspondent think government are.

Q: So do you think that you might advance the elections?

M: Well right now, no. Our position in a caucus of our party was we follow the law, the constitution.

Q: What did you discuss with Casey?

M: Nothing, he merely wanted to know what do I feel about the insurgency. I said if you keep telling us that the insurgency is out of control I want you to join me and let's go out to the front line.

Q: Some American officials have made plain their opposition to the reinstatement of General Ver. Yet you have clearly said that he will be reinstated if acquitted of the Aquino assassination?

M: I refused to talk about this subject (getting a little angry) because I told him (Casey) the moment you talk about something internal the conversation has to stop. I don't consider the conversation as having taken place because it's not good for you and it's not good for me. What will the people think, that what I'm doing is dictated by a foreign power?

Q: In a recent interview, General Ver's son, the head of presidential security, said the Ver family would be quite happy to see General Ver reinstated for a short period of time and then retire. My question was, is this a possible scenario?

M: It is not only a possible scenario. It is the only scenario we have agreed upon. It was agreed upon by the senior officers of the armed forces of the Philippines when General Ver voluntarily asked for leave from his present position and it was then decided that if he was acquitted he would go back to his position as Chief of Staff.

Q: But for a short period of time?

M: Whatever it is, that has not been decided.

Q: But you don't fear a reaction or another crisis if General Ver is reinstated?

M: Oh come on, justice is justice. Why do you punish anybody who is not convicted? Why? Because you don't like his face. He has been a good chief of staff. He is a general who saved Manila in 1955 when all alone his unit stood against the Huk Balahaps (communist rebels), the communist force that was ready to take Manila, and he has many, many achievements.

He got his commission in the battlefield in the fighting in Bessang Pass... I don't need to go into all of this — all I know is that this is a promise given, a word of honour. I don't break my word of honour.

Q: But meanwhile doesn't this prevent Acting Chief of Staff General Ramos from making reforms in the army that everyone is talking about?

M: These reforms have been going on. Look, you and I are old army people. Is there any army where there is no griping, from the chief of staff all the way down. If you have an army that is not griping, it's a weak army and that means you don't have men, you have gays.

Q: What is your reaction when people call General Ramos the man of the Americans?

M: That is unfortunate because he is the man of the Filipinos. Also, look, he is a West Pointer, he fought in Korea, in Vietnam, he is organiser of the Scout Rangers (the Philippine Army's crack unit). There is nothing you can say against him. Then to be tagged as an American boy... but they also said that when I was fighting in Bataan. (Laughs) No thank you... forgive me the honours.

Q: Turning to the communist insurgency, US Under Secretary of Defence Richard Armitage in a recent congressional hearing said in the worst case the New People's Army could reach a strategic stalemate with the Filipino army within the next three to four years and there could be a communist takeover in the Philippines before the end of the decade.

M: He's using the communist terms (laughs) ... ridiculous.

Q: Yet you yourself have said that the communists can be defeated within six months, isn't it strange that a foreign country like the United States is more concerned about the insurgency than your government?

M: Yes, isn't it? Well probably because I'm the guy in the front lines while they are the fellows in Bivouac 130 and doing nothing but sitting down and trying to solve the ills of every country.

Now look, I know my country very well. I know our people. We know exactly what the accurate sources of information are and if somebody wishes to advise us on how to run an insurgency we remind them, look, that we have wiped out a communist rebellion twice: in the '50s under Magsaysay and the surrender of Partido Comunista Filipina which surrendered to me in 1974 with all their arms.

At the same time we caught the organisers of the new Communist Party of the Philippines, Jose Marie Sison — he is in jail — and the highest commander of the NPA, Commander Dante, he's in jail also. And we have almost all the members of the central committee.

Q: Do you think the Americans have bad intelligence?

M: Yes, of course they have. You and I know that. (Laughs).

Should I put it this way: there are always factions in the American Government ... We should send not one ambassador, but two. One for those who are so liberal-minded they jump on almost anything that is said against almost any Third World country.

They think we are all stupid people who are still staying in the mountains and don't know anything about Montesquieu (laughs), the other leaders, American or otherwise.

Q: Are you really the only alternative to a communist takeover? Why don't you believe in a moderate alternative?

M: I would like to see who will take over and I will help him. Look, I've been in power long enough. Before 1965, when I was elected President, my only ambition was to stay in the presidency for eight years. Then came this crisis when the communists wanted to take over everything by violence and I had to proclaim martial law.

But it's not only the communists that are our enemy. You talk about the insurgency as if it came only from the communists. No, that's not true. There is a rightist attempt at a coup d'etat, a secessionist movement from southerners and there are attempts to maintain the status quo by the oligarchs, the guys who have all the wealth, the feudalistic lords who own most of the land here.

They are sore at me because I deprived them of their thousands and thousands of hectares by land reform. Manila was owned by only a few families. I ordered urban land reform, I took over the slums and improved them, taught the people a livelihood, that's it.

Then there are even others who were in on this, even the political Opposition are paying insurance to perhaps the communists, the rightists, the MNLF (Moro National Liberation Front — Moslem secessionist movement in the south).

Q: Aren't there a few respectable leaders of the Opposition, your Opposition?

M: They are all weaklings. If there is but one of them who can now promise me that they will fight against the enemies of the state, openly, and that they will prepare a program of economic recovery and agree on it ... And provided that we can work out all of the solutions in accordance with our constitution, there is no reason why I can't turn it over quite easily.

Q: Is there any proof that the NPA gets support from a foreign country?

M: No, I don't believe so. Some of the labour unions, but the support seems to be legitimate so far.

Q: You don't fear that a country like Vietnam could offer material support to the

rebels here?

M: We dare not talk about it. Of course the possibility is there, but the probability I think isn't there. In the first place we hear all kinds of talk about some of these people training in some communist countries but we have never been able to confirm it.

Q: But if there was foreign support for the rebels, would your Government ask the help of foreign troops from the United States or Australia?

M: Well the MNLF was supported by Libya and we didn't ask any help under the mutual defence plan, but we fought it on our own. Our policy is we will not allow the entry of foreign ground troops into our country to fight our internal wars while we can do it.

But if the infiltration and subversion is so massive that it gets out of control ... then we might.

Q: What is the importance of the giant US military bases of Clarke and Subic to the United States and don't they pose a danger to the Philippines in the event of a global conflict given the fact that nuclear weapons are regularly present at these bases?

M: There are no nuclear weapons as far as I'm concerned.

Q: But they pass through Subic Bay, because 80 per cent of the US Seventh Fleet is nuclear armed.

M: They probably do, but they don't stay. But whatever it is, the thing is that without those bases the United States will be unable to project their air and naval might into the Malacca Straits, Indian Ocean, Hormuz or Diego Garcia.

As far as we are concerned at the same time there are no neutrals in a nuclear war. However, in a conventional type of either subversion or outright aggression, there may be a need for a strong ally.

Q: If you were given the proof that nuclear weapons were present on these bases, what would you do about it?

M: What would I do? (Laughs). I'd ... ask that we now look into the need for stocking these nuclear weapons.

Q: In the aftermath of the Aquino assassination, the US Congress unilaterally switched \$45 million from the security component of the 1985 bases rental payment to the economic side. If under congressional pressure, because your administration has opponents in Congress, the US Government reneges on providing military assistance ...

M: Ah, hah, that's a different matter, that's too serious to even speculate about.

Q: Would you consider cancelling the bases agreement?

M: That's too serious to even speculate about.

Q: The Philippines is a member of ASEAN and thus adheres to ASEAN policy that all foreign bases should be removed from the region.

M: It is one of our ultimate objectives, but we don't say when.

Q: Earlier this year President Reagan signed a national security directive which described you as a major "obstacle to change" in the Philippines ...

M: No, no, no, that's not correct. (*Thinks*) Probably one of his subordinates wrote a recommended position paper. We call it leverage.

Q: It also said you were a necessary part of the solution.

M: Yes, I think they realise that surveys by the Opposition or by our own party indicate that we would beat them in any election whenever it may be held. But, um, as I told you, within the United States one must watch out for those two factions. You shouldn't be too sanguine and believe everything that comes from them ...

Q: Mr President, you have been in power now for 20 years and while the latest economic statistics show inflation is down, there remains a serious credibility gap with foreign investors ...

M: Give us time ...

Q: The foreign debt is now \$26 billion, which is 42 times higher than when you assumed the presidency. From 66 per cent of families below the poverty line in 1966, the figure has now risen to 71 per cent.

The richest 20 per cent have hardly changed at all their amount of wealth, in fact it has slightly augmented under your regime, yet redistribution of wealth was one of the major planks in your New Society program.

In the 1950s the Philippines was described by the World Bank as the country with the most potential in South-East and East Asia. Now it is the poor child of ASEAN. What happened?

M: Of course not, we are way ahead of the others. The others have followed statistical progress. This means GNP has increased but they have not followed through and distributed this among lower classes of people, whereas here whatever improvement there is has been distributed to the lowest ranks. That's why those statistics that you are quoting are outdated.

Q: They come from the National Bureau of Statistics, 1984-85.

M: If they did, I must fire a few people out there. (*Laughs*) They are not up to date.

Q: How is the human rights situation in the Philippines? How many political prisoners are there?

M: There are no political prisoners. Nobody is in prison because of his political beliefs. Whenever he voices his opinion he is left free, he

can even demonstrate against the law which governs demonstrations and we don't touch them.

But the moment he hurts anyone, he uses violence ... he runs afoul of the law. That's not a political prisoner, he is a criminal.

Q: Yet human rights organisations say there are over a thousand political prisoners and there have been cases of human rights abuses.

M: There are some (cases) where there has been torture and we have punished, but few and far between.

Of course, my classic example is there were two supposed massacres in Samar. I told the Minister of Finance: why don't you take the foreign correspondents down there? And we did — there was nothing.

And the priest who disappeared. After one month it was discovered he went to Germany ... with a nun. They got married and we were blamed for it. (*Laughs*).

Q: The Church has accused the military of abuses and salvaging (murders). Do you in turn consider the Church infiltrated by those fomenting rebellion?

M: The two do not connect. Yes, it's true that the Church has made these accusations. Yes, it's partly true in some cases, and we have taken steps to prevent blood on our hands.

But it's also true, the second part of your question, that the Church is infiltrated by those who believe in the theology of liberation.

Q: Are the foreign priests to blame for the situation?

M: Yes, they are the ones who brought it in. Some of the South American priests were actually assigned here. But there were those who finally confessed they couldn't stand it and they came out and said it is impossible to marry Marx and Christ. They came out and said the Church is being used.

Q: You said that you will be a candidate for the presidency in 1987.

M: God willing, yes.

Q: Could the First Lady be your running mate?

M: No.

Q: And what if the election is thrown open to the party, the KBL, and the KBL decides that the best ticket for the country would be Mr. Marcos and Mrs. Marcos?

M: I will dissuade them. I think I have enough influence in the party to stop such a ticket. I'll tell them I'll not run if you include the First Lady.

Q: There is a lot of speculation about the future of the First Lady. Your wife is accused of extravagance by segments of Filipino

society and foreign bankers who look unfavourably on any future political role for her if you were no longer President. How do you explain her unpopularity among these people?

M: I don't think that assessment is correct, because I talked to the foreign investors and they welcome the existence of another conduit to whom they can tell the truth and that's the First Lady.

The others, they are always watching who's going to hit them, but you tell it to the First Lady and she'll keep your secret. She will tell me and then I can take the proper remedial measures.

Q: Can you imagine losing the election, not being President anymore and having to retire?

M: (Laughs). I would go into media. I suppose, but I'd rest for a while and play golf and swim. Have you seen our beaches? I'd stay there. Go up to an island waiting for me up in the north which is owned by some of my friends and I'll stay there for a while.

But I cannot anticipate such a situation. I can only say that this is of course always a possibility to a politician -- you prepare for these contingencies.

Q: Then you would quit the political scene definitely?

M: Yes, unless the situation becomes so desperate that, like de Gaulle, the people ask me to return. And de Gaulle imposed certain conditions. You amend the constitution. You give me more powers and I'll return.

Q: Could the situation become so desperate again that you'd have to reimpose martial law?

M: I don't think so. I hope not -- my God, that's enough. We've had enough of martial law.

Perhaps some other recourse, like suspen-

sion of the writ of habeas corpus or a return to, say, more strict enforcement of laws on rebellion and security. All these are available, but martial law, no, heavens, I hope not.

Q: What would be your reaction if your opponent in the 1987 election is Mrs Cory Aquino?

M: That would be strange. That would be strange. I of course cannot change my opponents as I cannot choose my relatives. What can you do? I'll probably want to be nice to her.

Q: Do you have political models around the world or in history?

M: Well, for specific circumstances, like somebody saying don't fight your enemies all at the same time, fight them one by one. Remember Napoleon, by components, remember de Gaulle and things like that. Remember Alexander and then talk about the Greek Heraclitus of Ephesus who said individual rights without authority is anarchy, authority without individual rights is tyranny.

It's a matter of balance . . . and this requires judgment, which cannot be taught. It is inborn. Things like that . . .

Q: Yet you are often called a dictator. How do you react to that?

M: I am surprised they take me so seriously. I am very happy that I impress them as being capable of being a dictator. You know, to be a dictator you have to be some kind of a strongman and I think I am one of those who have a sense of humour who will laugh at death itself if necessary.

But if (you) think I am that serious, (I'm) sorry that you have lost your sense of humour.

PHILIPPINES

COTABATO PAPER ADVISES U.S. ON THIRD WORLD AID

Cotabato City THE MINDANAO CROSS in English 15 Jun 85 pp 2, 9

[Commentary by Patricio P. Diaz, Editor: "Impressions III--What the U.S. Can or May Do"]

[Text] Back to the question: "What can or may the United States do to help Third World countries develop without widening the gap between the rich and the poor, without inviting communism?"

Economic assistance must continue. That's helping any Third World country develop from the top. This development should seep down to the roots of society.

Technological assistance must continue. That's helping develop a strong core of manpower. Agriculture and industry need manpower trained in modern technologies. Assistance in scientific research must continue. Such research is the heart of modern technologies.

But these alone will create an elite class alien to the masses in Third World countries. These alone will widen the gap between the rich and the poor. Needed is a bridge to bring the poor closer to the rich.

Such bridge is change--change of hearts, minds, attitudes, outlooks in life to liberate the people from obstructive traditions, from backwardness, from oppressive conditions. The liberation must come from within the people.

Third World people urgently need social, moral and cultural liberation more than the economic, political and ideological. The first is the condition of which the second can take root and prosper. A people walled in by traditional social, moral and cultural beliefs are insensitive and unresponsive to new, progressive economic, political and ideological ideas.

It is imperative that while the United States helps Third World governments build their economy and attain political stability, she must also help the same governments reform the social, moral and cultural characteristics of their people. Otherwise, real economic and political stability will remain an illusion. Democracy will be under constant threat of communist subversion.

People-to-people contact as the Peace Corp Volunteers do may be a more practical approach. And people-contact-their-own-people should be effective. There should be a number of other ways in cooperation with Third World governments.

Tapping Third World people to change their own people has marked advantages: these people stay with their own people; they are in a better position than the PCVs or any other Americans to introduce new ideas with understanding of the people's traditional beliefs and practices.

Most ideal to tap are teachers, farm technicians, farmer-leaders and rural or provincial media men, for they work on the minds and attitudes of people. Also good to tap are new college graduates coming from the rural areas.

These groups, given special training in their own country and in the United States and given opportunities to share experiences with similar groups from other Third World countries, should form an excellent corp to lead their people in the process of social, moral and cultural change.

This counterpart of American economic assistance is delicate. No matter how well-intentioned, the effort is bound to be misinterpreted, to come in conflict with national pride. A man in need will accept help but will resent suggestions how to improve himself. The same may be true with a country and its people.

But the odds are stacked against America. In spite of the billions of dollars in economic assistance, Third World countries continue to be poor and easy preys to communist subversion and insurgency because with the people unprepared to share in the benefits of the assistance, the billions of dollars only widen the gap between the rich and the poor.

CSO: 4200/1333

PHILIPPINES

1980 PENDING ELECTION DISPUTES SUMMARIZED

Ozamiz City MISAMIS WEEKLY in English 11 May 85 pp 1, 3

[Text] Manila (DEPTHnews)--Ninety-two protests which stemmed from the 1980 local elections are still pending at the Commission on Elections (Comelec) with many destined to remain unresolved up to next year's scheduled polls.

Four cases involve governorship of four provinces; five for vice governor, six for city mayor, 32 for municipal mayor, 18 for vice mayor and 27 for membership in provincial boards and municipal councils.

Comelec records show 249 election protests resulted from the 1980 polls and that as of June 1984 the electoral body had disposed of 115 (72 percent) of the cases.

Possibility that many of the pending cases will be overtaken by next year's local elections is acknowledged by Comelec Commissioner Froilan M. Bacungan who said incomplete records is the main reason why the protests continue to hang fire.

He explained that such cases were originally decided by lower courts but were elevated or appealed to the Comelec in accordance with the grievance procedure provided by the election code.

However, failure of the courts to send the complete records of the cases to the Comelec ties the latter's hands in deciding the protests, he added.

Resolution of other cases with complete records could be expected well before the January 1986 polls since they are now being heard by the Comelec's three divisions, the commissioner said.

Bacungan likewise observed that the Comelec will continue to be saddled with electoral protests "as long as there are candidates who are incapable of accepting defeat."

Among cases recently decided upon by the Comelec resulted in the ousting of the Morong, Bataan municipal mayor in favor of his opponent in the 1980 polls. The ousted mayor belongs to the ruling political party.

Another Comelec decision upheld election of Omar Dianalan as mayor of Marawi City. However, the electoral body unseated the vice mayor and four councilors in Dianalan's ticket.

Gubernatorial elections in 1980 which remain under protest are those of Pampanga, Marinduque, Misamis Oriental, Laguna and Cavite.

The Pampanga case is deemed "technically resolved" because the protestee, former Gov Jose B. Lingad, was assassinated, according to Comelec sources. The Lingad murder remains unsolved.

City mayor elections under protest are those of San Pablo (Laguna), Palayan (Nueva Ecija), Cagayan de Oro, Dumaguete, Iloilo and Ozamis. Vice mayor protests pertain to Dagupan, Iloilo, Dumaguete, Ozamis and Cagayan de Oro.

Municipal mayor protests involve five towns in Catanduanes province; three in Northern Samar; two each in Rizal, Pangasinan, Samar, Zamboanga del Sur and Aklan; one each in Laguna, Camiguin, Surigao del Sur, Lanao del Norte, Eastern Samar, Antique, Palawan, Batangas, Isabela, Tawi-Tawi, South Cotabato, Misamis Oriental, Ilocos Norte and Misamis Occidental.

Electoral cases filed with the Comelec divided into 93 appeals, 74 quo warranto proceedings and 61 protests. Appeals are cases decided upon by lower courts while quo warranto questions authority of holding a public office.

Comelec records reflect that 64 appeals have been decided, 52 quo warranto and 35 protests as of last June 30, 1984.

The same records show that in the Jan 30, 1980 local elections, a total of 16,049 provincial, city and municipal officials were elected of whom 73 were governors, 73 vice governors, 446 provincial board members, 59 city mayors, 59 city vice mayors, 437 city councilors, 1,499 municipal mayors and vice mayors, 11,900 municipal councilors, two municipal district mayors and two such vice mayors.

Comelec counted a total of 19 million voters who participated in the 1980 polls.

In connection with last year's election of members of the regular Batasang Pambansa, Comelec received 14 individual protests with one later withdrawn. Of the pending cases, seven are protests and six quo warranto.

Comelec said the contested legislative seats are those of Ilocos Norte, Camarines Norte, South Cotabato, General Santos City, Maguindanao, Cotabato City, Aklan, Laguna, Manila, North Cotabato, Cebu, Isabela and Cebu City.

None of the 13 cases so far been resolved with Comelec divisions handling the protests still in the midst of hearings.--DEPTHnews

CSO: 4200/1333

PHILIPPINES

ANTI-NPA CAMPAIGN FOCUSES ON BAGUIO PROFESSIONALS

Baguio City THE GOLD ORE in English 22 Jun 85 pp 1, 2

[Article by Kit M. Tolentino]

[Text] Professionals in the city--businessmen, teachers, lawyers, writers, including nuns, priests, and students "believed toeing the subversive line" will be placed under surveillance by the "Task Group Blue Lizard" launched by the Regional Unified Command 1 last May.

This was disclosed by Deputy Regional Commander of RECOM 1 Col Manual Lopez during the freewheeling interview dwelling on the peace and order situation at the Coffeebreak last Thursday.

Lopez said several professionals have been identified by the military as suspects. Some are natives while some come from the lowlands.

He did not name names as they are mere suspects but he added that the group headed by Col Bernard Estepa will be tasked to probe into the activities of the personalities.

Blue Lizard's core composition is the PC Benguet and the Baguio City Police Station. Support groups include the Civil Military Operations Office, Intelligence and Investigation, the Judge Advocate General Orders, the medical team from the provincial headquarters and the Narcom. About 150 men will comprise the task force.

The military officials said that the soldiers and policemen will not work like secret marshalls. It was not revealed whether the members will be in uniforms or armed.

According to Lopez, these professionals "don't yet serve threat in Baguio, unlike Manila," but "their number is growing." A number of student organizations are "infiltrated by subversives," he said and added that "these professionals while normally unarmed are more dangerous than the insurgents because they work to influence the minds of the people." He cited speaking during anti-government rallies as one such activity.

The Blue Lizard will also go after insurgents or NPA regulars reported to have retreated in the city. Baguio was said to be their communications center where "they issue policies on revolutionary movement in Region 1," Chief Operations officer Major Marcelo Navarro said. While many NPA regulars have been spotted here, Navarro said, they still are not decreasing the military offensive forces in the Cordillera to maintain pressure.

Certain members of the Communist group were allegedly seen in Asin, as well as in Bokod, and Cervantes based on reports by civilians.

The officials said the military is working to contain the backdoors of the NPA's in Kalinga-Apayao and Ifugao and the Northern door in Cagayan.

It was also noted that in La Union, Pangasinan and Benguet, the situation is "relatively peaceful." KMT

CSO: 4200/1333

PHILIPPINES

EDITOR VIEWS REPORTS ON COTABATO CATHOLICS, IGLESIA

Cotabato City THE MINDANAO CROSS in English 15 Jun 85 pp 4, 9

[Commentary by Patricio P. Diaz, Editor in "Comments on News": "Disturbing Revelations"]

[Text] Bulletin Today's defense reporter Jose de Vera reported in BT's June 11 issue that "many Roman Catholic residents of Tulum, Cotabato were...shifting to Iglesia ni Cristo."

Citing MP Carlos B. Cajelo as his source, De Vera said these people's "getting fed up with Catholic priests' preaching revolution" was the cause for their going over to Iglesia ni Cristo.

The same BT item mentioned Cajelo as having received last June 10 a report from Col Rodrigo B. Gutang, Recom 12 commander, stating that "the recent burial of two members of the Tulum Civilian Home Defense Force attended some 2,000 residents became an indignation rally against the NPAs."

The mourners turned rallyists, the report said, denounced "CPP-NPA atrocities and the sympathy allegedly shown by some Roman Catholic priests for the subversive movement" and their involvement with the activities of the terrorists.

This report has a few disturbing revelations:

1. Evidently, key persons in the government refuse to admit that injustices and other forms of violations of human rights are being committed under the present government. They interpret as "preaching revolution" efforts of the Catholic Church to bring to the attention of the government the need to correct these injustices and violations.
2. The same key persons are firm in their conviction that since the Communist Party of the Philippines and the New People's Army also point to similar injustices and violations to subvert the people's faith in the government and to promote their revolution then the Catholic Church is in sympathy with the "subversive movement" and is involved in "the activities of the terrorists."

3. Only killings attributed to or committed by the NPAs are considered "atrocities." Unless forced by hard evidence and mounting public opinion those committed by men in authority are legitimate acts.

4. A year ago, an attempt was made to use Muslim religious leaders to blunt the issues of injustice and violation of human rights raised by the Catholic Church. It is becoming clear that the Iglesia ni Cristo is now being used for the same end.

5. If BT's Jose de Vera reported exactly according to the facts given him, then the national media are being fed only with facts that suit the government's perceptions and objectives for propaganda.

Under these circumstances, national reconciliation is not getting any closer. There's a lack of good will to reconcile between the government and the Catholic Church. Much more so between the different political oppositions and the government; considering the political factor, not only good will is lacking but personal and party interests add to the insurmountable obstacles to national reconciliation.

CSO: 4200/1333

PHILIPPINES

GENERAL TAPIA ORDERS BARANGAY CHDF DISARMED

Cotabato City THE MINDANAO CROSS in English 22 Jun 85 pp 1, 10

[Article by Butch Galicia: "ICHDF in New Tulunan Massacre: Bishop Appeals, Military Acts"]

[Text] Central Mindanao Regional Unified Command (RUC) chief Brig Gen Cesar F. Tapia has ordered Monday night the disarming of members of the Integrated Civilian Home Defense Force (ICHDF) of Lampagan and New Culasi, baranggays of Tulunan, Cotabato.

The disarming came in the wake of reports that a family of six was massacred by still unidentified armed men, suspected to be ICHDF members in the area, along the border line of the two baranggays last June 12.

Tapia has also directed PC/INP authorities to conduct a thorough investigation of the crime. "If ICHDF members were really involved in this barbaric act, I would order for a deeper RUC probe, recommend for proper filing of charges or place them under a general courtmartial," Tapia said.

Killed in the massacre, which occurred at about 6:30 to 7:00 p.m., were Celestino Garino, 45; his wife Ma Viana, 37; and their children Lucas, Francisco, Tita and Basilio.

Celestino's six other children survived the spray of bullets by hiding behind posts or other hard fixtures inside the Garino residence. The survivors were Celistono Jr, Jeremy Primitivo, Tanny, Bonivacio and Isabelo.

The Garino family had just finished eating supper and were relaxing when the perpetrators came and indiscriminately fired at the family. During the firing Celestino was heard shouting "Tama na!" (That's enough!)

Police authorities who arrived the following day at about 10:00 a.m., recovered empty shells of M-16 armalite rifle bullets enough to fill three magazine loads.

Tapia said Lampagan and New Culasi were both critical areas.

Reports from Kidapawan, Cotabato showed that Celistino, a church worker and lay minister had even blessed the body of the son of New Culasi baranggay captain Herminio Pancho.

This son, also an ICHDF member, was killed during an earlier encounter with unfriendly forces.

Because of the unsure situation of the two baranggays, Tulunan mayor Josue Faustino had even asked the Garino family to move out of their farmlot, especially at night. However, Garino desisted, saying he trusted civilian authorities in the area to protect him.

In another development, Kidapawan Diocese Bishop Orlando B. Quevedo, OMI, DD, in a letter dated June 15, asked the RUC to look into the peace and order conditions of Tulunan and the seemingly deteriorating ICHDF operations in the area.

Bishop Quevedo attached a similar report on the massacre to his letter to Gen Tapia. The bishop noted that the situation in Lampagan and New Culasi had not been normal since the death of the baranggay captain's son.

There were even threats that should residents of Lampagan pass by New Culasi, they will be shot at, the bishop's letter said.

Quevedo added the massacre was the second incident that had placed Tulunan in an unpredictable spot as people have become apprehensive of what could happen next.

He recalled the killing of Italian priest Fr Tullio Favali, PIME by the Manero brothers, Edilberto and Norberto, Jr., at Baranggay La Esperanza, also in Tulunan last April 11.

He appealed for quicker action on the two cases.--rgg

CSO: 4200/1333

PHILIPPINES

OPPOSITIONIST ON GROWTH OF NEGROS NPA

Melbourne THE AGE in English 29 Jun 85 p 19

[Article by Michael Richardson]

[Text]

ISABELLA TOWN (Negros Occidental Province), Friday: A US-supplied armoured commando vehicle parked outside the sand-bagged town hall is a symbol of what is happening in this province: the activities of Communist-led guerillas and regular and para-military forces opposed to them are rapidly turning it into an armed camp.

In the provincial capital, Bacolod, Mr Wilson Gamboa, an opposition member of the National Assembly, says the New People's Army (NPA), the military wing of the banned Communist Party of the Philippines, is expanding more rapidly in Negros Occidental than any other part of the country.

In a province with a population of about two million, he estimates the guerillas have about 1,500 armed regulars and a mass base of between 50,000 and 70,000 active supporters.

He and other sources in the province confirm that the NPA is increasingly active here — the main sugar-growing region in the Philippines.

The guerillas are inching towards Bacolod like a creeping shadow. They register their presence in many ways: by executing policemen, soldiers and others they say are oppressing or exploiting the people, holding night-time teach-ins in the barrios (villages), taxing the hacenderos (sugar planters) or making them pay protection money, launching arms raids and putting

up propaganda banners and posters.

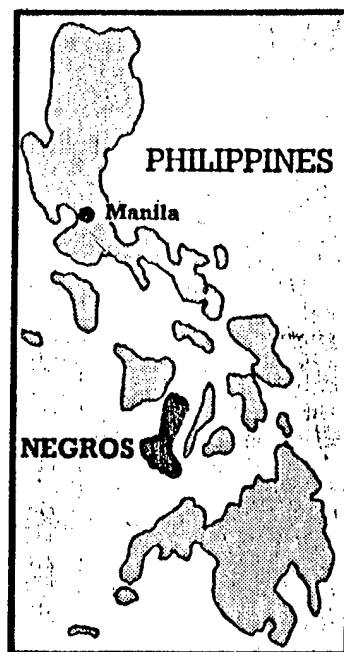
Late last month, in a carefully planned and executed operation, more than 100 guerillas infiltrated Isabella Town, overran the police station and the headquarters of the elite scout rangers company, killing 11 of the troops including the commanding officer, seizing 68 high-powered guns and more than 10,000 rounds of ammunition, and freeing four NPA suspects from the local goal.

Various sources here and in Bacolod say that although some civilians in Isabella were aware of the impending NPA's late-afternoon raid which caught the military by surprise, no-one tipped off the scout rangers because they had aroused local hostility through alleged excesses in their counter-insurgency campaign.

The response of the Government in Manila, the armed forces and some leading provincial politicians, businessmen and landowners — some of whom have close links with President Marcos — has been to intensify a military and propaganda war against the NPA.

Heavy reinforcements of troops and equipment have recently been sent to the province.

Mr Gamboa says big landowners will use legalised private armies to protect their farms, fight the NPA and intimidate



people to vote for the Government in local elections likely to be held next year or in 1987.

He believes enlargement of the para-military forces will only alienate more people and help the NPA.

"The situation is ready-made for the rebels. The weapons of the [private armies] will sooner or later fall into the hands of the NPA. They will be easy pickings for them. This exercise is counter-productive."

Monsignor Antonio Fortich, the Roman Catholic Bishop in charge of the province, is also concerned at the possible effects of official and semi-official moves to wipe out the NPA.

He says he has warned military commanders that if an all-out offensive is launched against guerilla strongholds in the mountains and elsewhere, it will result in "total dislocation." He says there will be a mass influx of civilian refugees from the hills into the lowlands and the guerillas will infiltrate with them.

He argues that a better response would be economic and political reforms that improve living standards and offer people a better future.

PHILIPPINES

KMU OFFICIAL ON TRADE UNION MOVEMENT

Auckland NEW ZEALAND TRIBUNE in English 24 Jun 85 p 9

[Article: "The Philippines' Real Trade Union Movement"]

[Text] **FOR Filipino workers arbitration means a long battle in court, with no hope of winning. Carlito Rallistan, a national councillor of the May 1 Movement (KMU), told Tribune that there are cases in the Supreme Court which have lasted 20 years.**

Because of the restrictive anti-worker laws, striking is almost impossible. However, workers still strike, and they are killed.

"Workers live in subhuman conditions," Carlito said. There is a minimum wage but it is very low (\$NZ46 a week). Under an apprenticeship scheme many workers are paid 75% less than this, and some are not paid at all. Apprenticeships can go on indefinitely. In this way President Marcos opens his doors to multinational companies.

There are two recognised trade union bodies in the Philippines, the KMU and the government-backed TUCP. Only one body may make a three-year contract with management for a whole factory.

Carlito says that KMU is the only genuine workers' movement. It has 500,000 members and the TUCP (Carlito calls it the yellow trade union), has 600,000 members. However, when KMU celebrated May Day this year, 350,000 people joined in all over the country. Only 3000 people joined in the TUCP celebrations.

Recruiting methods are different. The KMU organises among the workers but the TUCP approaches management. Management much prefer the TUCP because it goes along with

anti-union laws, demands less money and allows poor conditions.

"When we speak of yellow trade unions we are only speaking of the leadership, because they are the ones who are putting forward the principles of the yellow trade unions," Carlito told Tribune.

There is little difference between the police and the military. Carlito spoke of plainclothes paramilitary groups which create terror among the people.

Rodolfo Golez, an official of the National Organisation of Sugar Workers, was beheaded. His head has never been found. Students, professionals and activists are found floating in the river. They replaced one doctor's brain with rubbish.

KMU works for unity. "We feel workers must join hands with other sectors of society." This has led to the formation of broad-based alliances and a working women's organisation (KMK).

By making links with the FOL, Carlito Rallistan believes that the KMU will increase international pressure on the Marcos regime and help workers everywhere to fight capitalism, imperialism and monopoly.

PHILIPPINES

FARMERS SHUN AGRICULTURAL CO-OP MOVEMENT

Cotabato City THE MINDANAO CROSS in English 22 Jun 85 p 2

[Article by Victor T. Luacan: "Why Farmers Shun Coop Movement"]

[Text] Manila--(DEPTHnews)--The cooperative movement being pushed by the government in the agricultural sector is moribund.

Farmers are shunning instead of joining "samahang nayon" (SN) organizations set up in the rural areas indicating an urgent need to look over the present scheme and introduce needed reforms.

Reporting such a finding is Dr Carlos T. Buasen following a study of present state of the cooperative movement in the agricultural sector of North Luzon.

An expert detailed with the Mountain State Agricultural College based in La Trinidad, Benguet, Buasen claimed his finding is reflective of status of the movement in other regions of the country.

Farmers' cooperatives are envisioned by the government as a major goad to increased agricultural productivity and as mediums in improving living conditions in the rural areas.

Government efforts to equip the agricultural sector with an effective and efficient cooperative movement started as early as after the Pacific War in the middle 1940s with the endeavor undergoing various changes since.

However, such efforts are still to attain even modest amount of success, lamented Dr Buasen.

Organization of SNs is a first step in the setting up of farmers' cooperatives under the present government program. The third step is formation of consumers' cooperatives followed by the federating of such groups.

Majority of SNs organized in North Luzon are dead on their tracks or have lapsed into inactivity with farmer members quitting while others refusing to join, the state school official reported.

He said interviews with the farmers elicited information that the SNs "lack credibility" in the eyes of the rural folk. Bausen added that such lack of confidence is due to "bad experience" suffered by the farmers.

The experience included SN officers absconding with the association's funds, running the group as if it were their personal property, commission of other irregularities and abuses, Buasen explained.

A second leading reason why farmers are shunning the SNs is that they do not understand the organization's role in helping them improve productivity of their fields and consequently their living conditions.

Such lack of understanding is attributed by Dr Buasen to failure of government field workers to explain in simple and clear terms to farmers the importance of cooperatives to their efforts at increased income.

CSO: 4200/1333

PHILIPPINES

BRIEFS

RICE PRICE HIKE--The price of rice has gone up by 200 centavos per kilo at the kadiwa (cooperatives) stores in Metropolitan Manila. Effective yesterday, the former price of 6 pesos per kilo of rice became 6.20 pesos. According to Ergosto Rosales, head of the kadiwa operations, the price increase was authorized by the National Food Authority (NFA) because the poor harvest of palay (unhusked rice) is supposed to last until the month of September. Rosales also said that the kadiwa was ensuring that there would be no shortage. He added that other stores were selling rice from 6.50 pesos to 8 pesos per kilo. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 6 Aug 85]

OFFICIAL ON EX-NPA REHABILITATION--Deputy Defense Minister Carlos Cajelo has suggested the allocation of 20 million pesos for a rehabilitation program for NPA surrenderees in Negros. He said that this step would be more economical and effective than sending soldiers to the province to fight the rebels. According to the police defense, this plan calls for a work placement plan for surrendering rebels. It is hoped that with this plan, many rebels would return to the folds of the law. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 6 Aug 85]

CSO: 4211/81

THAILAND

COLUMNIST CRITICIZES U.S. ON FAMILY PLANNING, STERILIZATION

Bangkok THAI RAT in Thai 12 Jul 85 p 3

[Mangkorn Halep column: "Sterilization, Whose Genocidal Game?"]

[Text] The very wealthy in the United States face much greater hardships than do the very wealthy in Thailand since they have to pay heavy taxes. Thus, foreign millionaires have to set up various foundations. When they want people to see that they have good taste, they purchase paintings from famous artists. They hold cocktail parties to show off the paintings to their wealthy friends. They admire this and that painting and have a good time in the manner of the wealthy.

Some wealthy people got the idea that liquor, cigarettes and soft drinks were evil. A new religious denomination or sect came into being. It put up a sum of money. Those who observe the rules strictly and who refrain from drinking liquor or soft drinks and from smoking cigarettes are considered to belong to this denomination. They help each other when something bad happens. You can see this in Utah. Mormonism is the religion of a wealthy group.

Other millionaires could not find a way to avoid paying taxes and so they came up with a wonderful idea. They felt that they were superior beings and that those in other countries, that is, the people in the third-world countries, were beneath them. They felt that if these people were allowed to have many children, these black and yellow-skinned peoples would pollute them. Someday, their daughters might have to marry a black or yellow-skinned person, the thought of which angered them greatly.

[They thought that] the way to exterminate the people in the underdeveloped countries was to set up an organization using money--on which no taxes were paid--donated by wealthy people and then encouraging people to go for sterilization, which would solve the problem at the source.

They were glad to give money to those who were willing to do this in order to reduce the number of children who might grow up to intermarry with their children. I can't remember exactly, but I think each person who underwent sterilization was paid 300 or 500 baht.

One one hand, I think that reducing the population of a country is good since the people won't have to compete to earn a living, and they will be of better quality. But on the other hand, I don't think that this is fair. People are exterminating their own race for a small sum of money. Thailand is still a fertile country. Foreigners want to come to Thailand to live. The old masters of the country are gradually dying out. Thais won't be able to mix with other people since so many will have been sterilized. In not too long, Thailand will be filled with fair-skinned half-castes, "second-class westerners."

There are two sides to everything. Don't let yourself be misguided into becoming enthusiastic about destroying one race by sterilizing the people of that country while encouraging an increase in the population of another country.

11943

CSO: 4207/265

THAILAND

COLUMNIST CALLS FOR TRADE OFFENSIVE, PROTECTIONISM WITH U.S.

Bangkok THAI RAT in Thai 17 Jul 85 p 5

[He Ha Phathi column by Sum: "Don't Want to Know But Must Know"]

[Text] A column in the Sunday edition of THAI RAT that I read regularly is Economic War, which is written by Wattanaphon. I read this column regularly since the economic problems are a major issue today. From when we wake up in the morning until we go to bed at night, everything concerns the economy. From reading that column, I have learned that the world is today fighting an undeclared war. This is a real "dog fight."

In this war, no guns, rockets or aircraft are used. Rather, the weapons used are the economy, trade and competition. These are the important things in the struggle.

To launch an invasion, troops are mobilized and sent into action. Fortifications are built in order to prevent the enemy from launching a sudden attack. [In this war], quotas, tariff barriers and a variety of other measures are used, including regulations on quality and health. These are no different from the barbed wire and explosives used on the battlefield. If you aren't clever and if your goods aren't of good quality and up to standard, don't expect to penetrate these defenses. If inroads are made, the defenders must expel [the invaders] because if foreign merchants seize an area, the merchants and industrialists in the countries that produce the same goods will all die.

A clear example is textiles. The United States is considering passing a law to strike back at us, which is something that we are complaining about today. A friend is a friend. But when it comes to a trade war, they have no friends.

From the reports that we have read, when Mr Shultz visited Thailand, he tended to beat around the bush as diplomats frequently do. We don't really know how much sympathy he has for us.

Besides the opposition forces mentioned above, another economic fight is the head-to-head competition between sellers. There are many sellers but few buyers. Thus, sellers have to engage in a price war. They sell some goods and give away others as a bonus. They may even have drawings for prizes.

For example, there is fierce competition among rice traders. And our foremost competitors are none other than our great friends, that is, China and the United States. China grows rice using labor-intensive methods. And it uses compost for fertilizer. Thus, their rice is cheaper than ours. They can set their prices lower than we can. Even though the quality of their rice is not as good as ours, because it is cheaper, they can easily sell more than us.

The United States uses the method of giving a bonus amount, or it sells the rice on long-term installment. And if lots are drawn, they will probably do things as I described above. It's difficult to compete against such great friends, who have many advantages over us.

This is a summary of things, some of which I have learned by reading the Economic War column in the Sunday edition of THAI RAT. Frankly, I am not very happy. But what can be done? This is what the world is like today. We cannot deny things. We, too, are a player on the battlefield. We are trying to beat them, and they are trying to beat us. From what I can determine, in the struggle to seize territory abroad [for our goods], we are at a terrible disadvantage with respect to almost all types of goods. Conversely, they can easily conquer us in almost all cases since our defenses are very weak. Goods can flow into our country easily. This is why we are now losing the economic war. Let's fight back a little. Let's go on the offensive abroad and strengthen our defenses so that other can't attack us so easily. Do we have to cheer the government's economic team?

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CSO: 4207/265

THAILAND

GOVERNMENT AIDE-MEMOIRE TO U.S. ON TRADE

Bangkok SIAM RAT SAPDA WICHAN in Thai 21 Jul 85 pp 19-21

[Aide-Memoire from the Thai Government to the White House, 8 July 1985]

[Text] 1. General Situation

Relations between Thailand and the United States have many dimensions. Things must first be discussed in general. The two countries have historical and people-to-people relations as comrades-in-arms in many conflicts. The two countries are linked to each other tightly by shared democratic ideals and a free-trade system. The two countries have regional relations and share the hope of tightening the economic relationship for the benefit of both countries. Economically, the United States may not be of great importance to Thailand. But as a close friend and trusted ally, the United States has a special place in the hearts and minds of the Thai people.

Within the scope of this friendship and mutual trust, Thailand is always ready to fulfill the demands and preserve the benefits of our relationship, which is how we have been treated. Conversely, we sincerely want to reduce the conflicts, particularly the economic conflicts, through friendly negotiations before they can grow into major problems. We feel that bilateral economic activities can be expanded in conditions in which there are friendly relations.

At the same time, we will remain quiet if we cannot explain our position and understand the expectations of the United States. Thailand shares many of the same ideals as the United States such as [a desire] to preserve democracy and freedom. The United States must realize that Thailand is a necessary friend. It is a front-line state and a developing country. Thailand has many burdens to bear, of which the United States is aware. What is more, Thailand is in a pressure situation in which it cannot make full use of its limited resources to defend the country. Thailand is confronting structural imbalances. Economic corrections must be made. Thailand is a young democracy. Our democratic system must be nurtured. We must try to fulfill the expectations of the people. Thailand needs the support and understanding of friendly countries. Thus, Thailand would like the United States to review its relations

and commitments to Thailand in general and avoid placing greater burdens on Thailand, which already has many problems, both at the national and individual levels. Thais frequently ask questions. They do not understand why, when we have such friendly relations, we are not trusted and why we cannot work together to solve the problems.

It can be said that even though the United States gives Thailand very little economic support, such as finding markets for Thai goods, this plays a role that is just as important as the military support provided by the United States. The little economic support provided by the United States helps stimulate Thailand's economy. The fact that Thailand is strong economically will not benefit just Thailand. An economically strong Thailand is of direct concern to ASEAN and other Pacific countries. This security will definitely help preserve U.S. interests.

2. Thailand's Economy From an International Point of View

Thailand is a small country with an open economic system. Free international trade is considered to be the means that will lead to economic cooperation and world economic security.

To hit this target, Thailand is an international trade arena and must obey international trade rules. Thailand allows the free movement of goods, services and capital. We have not imposed any tariff barriers in order to impede the flow of goods and services. Thailand has supported having exports (of agricultural and industrial goods) compete on world markets. The state has not used any support measures. As for industrial development, for the most part, Thailand has left this in the hands of those in the private sector.

Government involvement is limited to providing basic conveniences so that industrial development is carried on efficiently and to stipulating inducements to invest in order to stimulate industrial development. We have not done anything that the developed countries have not done. We have not used export support measures. We have reduced prices for equipment used to produce export goods in order to reduce the difference between interest on domestic loans and on world markets. Tariffs are collected in order to reflect real term costs in international production. This is also aimed at overcoming the distortion in the collection of import duties. Usually, [export] duties are assessed at lower rates than import duties. This should not be construed as a government support measure.

During the past 20 years, there have been great advances in the rate of growth. The rate of growth [has averaged] 6 percent a year. This can be considered to be quite an achievement when compared with the international standard. But the average per capita income here is only \$770 [a year]. With such a low income, the United States ranks us third among the developing countries with moderate incomes.

During the same period, Thailand saw rapid changes in its production structure. There was great growth in the modern industrial sector and in the service sector. However, the rate of change has slowed. As far as labor and propulation distribution is concerned, Thailand must rely mainly on agriculture. Revenues from agriculture are an important factor from the point of view of domestic demand. This is the country's leading source of economic growth in terms of both raw materials and markets. Agricultural products account for half of Thailand's exports.

The rapid expansion of trade has played an important role in stimulating demand for capital goods. The external economy has gained greater influence since trade is so open. Thailand is not the only country that is experiencing difficulties. The world's economy has been regressing for several years now.

The uneven economic recovery in the world has given rise to a downward trend. And things are getting even worse since the growth of the U.S. economy has been so slow during the first 4 months of 1985. This is due to the fact that the world economy is growing slowly and prices of goods are depressed. Also, interest rates on international fiancial markets are high. The Thai government must change its policy in order to make Thailand's economy more flexible. The important targets that the government is trying to reform include agriculture, industry, energy, budget policy and public administration. The government made an impressive start and made good progress in moving existing resources using the tariff system. The government revised the regulations for submitting matters and created a stimulating environment within the agricultural, industrial and energy sectors. However, the government must still do many other things. There are many more challenges than before. The government has decided to use all its resources to meet the challenges both here and abroad in order to hit the long-term economic and social development targets.

3. Bilateral Trade Relations

The United States is an important trade partner of Thailand. In 1984, 13 percent of Thailand's imports came from the United States. Almost 17 percent of Thailand's exports were sold to the United States. Expanding trade relations is a great challenge. This is a welcome indicator in the adjustment of U.S. interests in Asia and the Pacific. Thailand is concerned about protectionism, which is becoming more prevalent in the United States, and about a political backlash in response to the pressures arising from the protectionist sentiments of U.S. industry.

While the United States has formulated a new system in order to satisfy U.S. administrative requirements and do things based on U.S. laws, Thailand has to be worried about many of the laws promulgated by the United States. These were promulgated in order to give more opportunities to U.S. industries, but they are also affecting trade. Thailand would

like to ask the U.S. government to carry on trade and promulgate trade laws fairly and impartially.

1. Steel pipes and other pipe:

Thailand exports welded steel pipe and other types of pipe to the United States. Tariffs on these items are now being examined. Thailand does not understand why this matter was not raised a long time ago. In 1984, Thai industrial exports to the United States accounted for less than 0.5 percent of total U.S. imports. Thus, we would like the U.S. government to reconsider the investigation in the interest of fairness. Because of our close and friendly relations, Thailand is happy to provide all data to U.S. officials. The United States must not implement strict measures, which would pose a threat to Thailand's effort to diversify its exports.

2. Examination by U.S. CVD in Opposing Thai Manufactured Products:

Recently, charges have been made against manufactured products, which are important export items of Thailand, and there have been several investigations. This has generated uncertainty, and it poses an obstacle to trade. Textiles and canned tuna are the two main types of goods in this category. Even though we respect the right and duty of the United States to protect the interests of its industries, the Thai government does not feel that Thailand should have to bear the burden arising from these internal decisions of the United States.

3. Non-rubber shoes:

Recently, the U.S. Foreign Trade Subcommittee decided that the import of non-rubber shoes could pose a danger to the U.S. industry. [However], Thailand is a new exporter of shoes, with imports from Thailand accounting for only 1 percent of U.S. imports. Thus, the U.S. government should consider granting an exemption to Thailand and other new exporters.

4. The U.S. program to increase exports:

Thailand was shocked by the recent announcement by the United States that it will implement a program to increase exports. The United States announced that it will spend \$2 billion to release agricultural products. This will throw foreign trading circles into turmoil. The United States hopes to regain its share of the market that it lost to the European Economic Community. It hopes to induce the EEC to stop providing money to aid exports. Thailand is very worried that the original aim will be forgotten. If the United States supports its goods like this, this may become a permanent measure for U.S. exports. This would definitely affect Thailand's foreign markets.

Besides this, Thailand feels that the proposal by the Commodity Credit Company to sell cereals through other countries is another form of support.

Thailand wants U.S. assurance that this program, or the measures concerned, will not affect Thai exports.

5. Collection of customs duties by Thailand:

Thailand recently revised its tariff collection structure. This decision was part of the economic reform plan in order to eliminate budget deficits and the balance of payments deficit and avoid financial instability in the future. At the same time, the aim is to have trade activities carried on strictly. This action is based on the General Agreement on Tariffs and Trade, or GATT. Duties were raised based on our commitments as a nation that holds to tariff principles.

Our aim is to stress principles that will expand markets for all types of goods based on a free-market system. We will keep Thai markets open in order to deal with any U.S. action stemming from this reform of our tariff structure.

6. Meeting to avoid collection of double tariffs:

The Thai and U.S. officials who attended the meeting to avoid the collection of double tariffs drafted an agreement in order to collect a revenue tax. Later on, U.S. officials asked that the collection of this tax be halted. The principles of that agreement were considered to be very important for the two countries. Thai officials insisted that exemptions to collecting this tax would have to be made within the framework of the agreement on the collection of double tariffs between the United States and Thailand as agreed on initially.

4. Cooperation In Development

The Thai government is in the process of preparing the Sixth Economic and Social Development Plan. There are nine development projects that are to be carried on with U.S. help.

It is estimated that these projects will require \$200 million in aid from abroad. At present, it appears that Thailand will receive only \$100-150 million. For this reason, the Thai government is asking the United States to help Thailand by making available \$50-100 million for development, with the emphasis on these projects, particularly those that will help make Thai [goods] more competitive in the world and that will improve quality and increase capabilities in the production and marketing systems. The purpose is to improve administration and communications from the point of view of development.

5. Points Concerning International Economics

1. The Bonn summit meeting:

Thailand feels that those attending the summit meeting in Bonn recognized the downward trend in world economic recovery. Thus, policies have been set in order of priority so that the large industrial countries can take action to minimize the effects stemming from inflation and a rise in labor costs.

Thailand would like to stress that the development process of a developing nation must respond to economic expansion in the developed countries.

The Bonn summit meeting discussed many problems that the developing countries are experiencing and many other important problems such as the instability in the capital markets, the drop in the price of forward market goods and the problem of reaching the markets. These are problems that will be difficult to solve. Thailand is happy that those at the conference recognized the important role of direct investments by the developed countries and saw that this is part of the process of development in the developing countries. Thailand wants the developed countries to increase their investment just like the development aid that is officially given to the developing countries.

Thailand is disappointed that no special measures were proposed for fighting protectionism. As for this, we ask that immediate action be taken based on the commitments made at the Tokyo conference on protectionism, which resulted from the 1982 ministers' conference on the GATT. Taking resolute action to ensure free trade is necessary in order to get the developing countries to accept the recent conference.

2. New negotiations on multilateral trade:

Thailand and ASEAN would welcome a new round of multilateral trade negotiations. Both Thailand and ASEAN will look for ways to open negotiations in order to fulfill the commitments made at Tokyo. The purpose is to perfect the projects agreed on at the Tokyo ministers' conference on the GATT. This conference will confirm the operating principles on giving special treatment to the developing countries. Initially, this conference will focus on various points of benefit to the developing countries rather than on new factors such as services and high technology proposed by the developed countries.

Within the scope of agricultural trade activities as detailed in the GATT, Thailand will take action to eliminate providing support funds for the export of agricultural products in world trade. This action is within the scope of agricultural trade activities as detailed in the GATT and is in accord with the recent multilateral trade negotiations.

We suggest that those countries that share common interests hold a meeting in order to eliminate providing support funds for the trade of agricultural goods. We invite the United States to organize this meeting as soon as possible.

3. Revision of the Fiber Arrangement:

Thailand and ASEAN support expanding the Multi-Fiber Arrangement based on extending the time period. However, action will be taken to have things carried on based on the GATT principles.

Thailand believes that this matter can be handled by the developed and developing countries. At future negotiations on the Fiber Arrangement, Appendix B should be revised. The developing countries must be allowed to play a part in existing markets. This can be based on the rate of growth and on whether those entering this field are doing so on a small, medium or large scale.

Thailand is opposed to setting quotas in world textile trade circles since that would go against the interests of the small and medium-sized exporting countries, whose revenues depend on the export of textiles.

Thailand is very concerned about the textile bill proposed by Thurmond and Jenkins. This bill conflicts with the principles of "revising the Fiber Arrangement."

Thailand wishes to thank the U.S. government for opposing this bill. Thailand is aware of the fact that Mr George Shultz, the U.S. secretary of state, has intervened in this matter.

If this bill becomes law, it will affect the economy of Thailand as well as that of other small exporting countries. However, it would have only a small effect on the large exporting countries. The result would be that Thai textile exports would drop 64 percent. Other countries that would suffer a drop in textile exports include Hong Kong, 17 percent, China, 59 percent, Taiwan, 48 percent, and South Korea, 35 percent.

4. GATT provisions on state support:

Thailand intends to abide by the GATT provisions on state support based on the factors and principles used with India and other countries. There is no need for additional commitments besides those already stipulated. Otherwise, Thailand will suffer losses to those countries.

If there is a choice, Thailand would like to participate in a multi-action process. Thailand calls on the United States to review and discuss the various provisions in the GATT.

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THAILAND

FINANCE OFFICIAL COMMENTS ON SHARE FUND-BANK LINKS

Bangkok WIWAT in Thai 9-16 Jul 85 pp 19-21

[Speech by Mr Mora Dunyaphon, a legal advisor to the Ministry of Finance, at Chulalongkorn University on 21 June 1985: "Background On the Billion-Baht Share Fund and the Role of the Share Act"]

[Text] On 21 June 1985, the Faculty of Law at Chulalongkorn University, together with the Office of the Secretary to Parliament and the Lawyers' Association of Thailand, held a seminar on the topic "Analysis of Changes In the Law In 1984." The Act on Loans That Defraud the Public, or Share Act, was one of the laws discussed. The speaker was Mr Mora Dunyaphon, a legal advisor to the Ministry of Finance and a member of the special affairs committee of this act. The analyst was Mr Charat Phakdithanakun, a judge with the Ministry of Justice. ATHIT-WIWAT feels that the speech delivered by Mr Mora Dunyaphon is very interesting and that it bears directly on the Mae Chamoy share fund and other share funds. Thus, we are printing it here.

Since 1982, the Ministry of Finance, which has service units, has been studying the nonformal financial activities of various people. It has studied this share fund, too. Initially, data were obtained from the newspapers. Recently, data have been obtained from the people involved, including agents and investors. Thus, we now know the source of the money. We know that many civilians and government officials, including soldiers and policemen of all ranks, invested money. Actually, the money was loaned; this was not a share fund. This was done through an agent. Major investors can be divided into three types:

1. People with very large incomes who have invested some of their money.
2. People who have invested some of their savings in the hope of profiting. These people have also used other assets to invest. For example, they may have pawned goods to get money.
3. People who do not have any money of their own. These people have borrowed money from the bank or from other people in order to buy shares. Those in groups two and three run the greatest risk.

Each person must invest 160,000 baht. The agent deducts 200 baht. The investor receives a dated loan contract and is paid interest totaling 10,200 baht a month, which is 6 percent a month or 72 percent a year. Investors must pay an income tax. The agent deducts 4 percent. And there is a pump fee of 100 baht. Thus, agents deduct about 500 baht.

Investors do not receive any guarantee except for a signed, post-dated check and a loan document. Studies were made to determine how the share-fund operators use the money. It is still not clear what the money is used for. Reports have stated only that the money is invested in activities that earn very high profits. Thus, it is very likely that the money collected from new shareholders is used to pay the people who invested earlier. Later on, an attempt was made to gather more evidence. The banks investigated the matter. But nothing was learned. Efforts are still being made to gather information.

Share Fund-Commercial Bank Links

The commercial banks have a very good system for monitoring deposits. At that time, we found glaring abnormalities at the commercial bank branches in the Bang Khen and Don Muang areas. It was found that unusually large sums of money were deposited and withdrawn each day. In 1983, the revolving capital of six commercial banks was very great. The two bank branches at Bang Khen and Don Muang alone had daily deposits of about 3.5 billion baht. The banks had to pay interest of 9 percent, which amounted to 44 million baht a day. The interest was paid to the agents, who paid the investors.

During the months of August and September 1983, the newspapers printed many stories about this. Investors were very afraid and so the amount of revolving capital declined. Many people withdrew their money and so the amount fell to 1.1 billion baht. Later on, it fell to only 120 million baht. We were very alarmed. The fund operators deposited money in several banks using their own names, the names of family members and fictitious names.

In the middle of 1984, there were reports that the amount of money invested in the share fund totaled almost 5 billion baht. From data collected from the commercial banks, it was learned that the commercial banks profited very little from such deposits. That is, they could not invest the money in large-scale activities. All they could do was invest in treasury reserve notes. The money multiplied more slowly. During that period, it was necessary to implement a measure limiting credit to 18 percent. This became necessary because of this situation.

Later on, the share fund spread to the provinces. Customers were sought in the provinces. This began in the provinces in the central region and then spread to the northeast, north and south. Originally, people had to purchase full shares. But later on, people could purchase a fraction of a share depending on the unit established. This was a sign of great danger. The Ministry of Finance began carrying on public

relations activities to prevent people from getting involved in this and to warn them about loaning money in the hope of earning a high rate of interest. They were told that they would probably be cheated. But this had no effect. In the provinces, the problem grew worse and various inducements were used. A high rate of interest was paid to induce people to invest large sums of money. This had a great effect on the economic system.

Because of this, it was urgent to promulgate the Share Act in order to keep the effects of this from multiplying and prevent this from spreading.

As for this act, there was a discussion about which laws and measures to use. Several laws already in effect were used since it was necessary to issue this act immediately. Something worth noting is that in Article 7, in cases in which a person is suspected of having committed a violation, officials cannot just call in anyone they want. An investigation must be conducted first. Thus, officials had to gather data from the existing evidence. They learned that some agents had cheated people. Some people and banks were implicated. The committee and the officials, including police, revenue, finance and Bank of Thailand officials, discussed the matter. Officials and the chief inspectors from all police stations were appointed. The provincial governors participated, too.

They began by using Article 7. That is, officials were sent to check all the figures. It was learned that as of the end of September 1984, the Mae Chamoy fund had 2.3 billion baht in the bank accounts. The Nokkao fund had 500 million baht left, and the Charter fund, against which charges were being filed, had 43 million baht in the accounts.

Before implementing Article 8, the officials asked the people on the lists to come in for initial questioning. Article 8 will definitely prove useful. The article drafted by the Ministry of Finance will prove of real value. This will become evident in the near future. We are taking action. The special affairs committee will make recommendations to the minister of finance after the officials have collected sufficient evidence. As for the operator of the Charter fund, who fled abroad, people have come forward and filed charges. He was guilty of many violations. This fund had assets of 3 million baht in bank deposits, vehicles and some land.

In short, the special affairs unit has finished gathering evidence. The assets are not sufficient to repay the debts, which exceed 400 million baht. Thus, the committee recommended that the minister of finance take action based on Article 8. When prosecution officials received a copy of the investigation, they filed charges and sequestered the assets. But in taking action, great care must be exercised since great difficulties are involved.

This act helps people who made a mistake and who now want to get out of the share fund. There is a provision on sequestering assets and filing criminal charges on behalf of the injured parties. The people who have suffered losses do not have to pay anything to file charges. The bankruptcy law can be used so that prosecution officials can play a role as if they were the injured parties. The people do not have to pay any fee.

Something worth considering is the fact that people have great faith in the people who run these large share funds. Even though we have carried on public relations activities and had senior people appear on television to explain things to the people and ask them to stop investing in the share funds, people have continued to invest in these funds. These share fund operators have a mechanism resembling the whip in parliament. They constantly try to bind their shareholders to them. For example, they tell them that if they provide data to officials, everyone will have to pay taxes and that they will not get their money back. Thus, they have great bargaining power. People do not dare come to us. These shareholders are like people who have a nervous disorder. When they come to see us, they act one way; when they leave, they act another way. They all have insomnia just as if they had a nervous disorder.

Besides this, threats are used. Officials engaged in this work are in great danger. Our officials have invested with them. Some go dressed in police uniforms. But they can't do anything. They have to wear plain clothes to go get the money. If they wear their police uniforms, they won't be given their money. This is what happens.

Political Effects

When this act was sent to parliament, there were rumors that this law would not pass parliament, that parliament would be dissolved or that there would be a change of government. This shows the great influence wielded by the share fund operators. And sometimes erroneous data was given to officials.

What should shareholders do now? Ministry of Finance officials have worked very hard. But they have been blamed for being inefficient and been called paper tigers. But this stems from a lack of cooperation. Some people have asked why taxes have not been collected from those with 2 billion baht. But don't forget that the revenue mechanism for collecting taxes is powerless. The important mechanism is the shareholders who have invested money. Thus, it is very difficult for officials to take action. We must continue to monitor this matter. Things will become more tense because of this Share Act.

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THAILAND

EDITORIAL CALLS FOR CONTINUED DIPLOMATIC PRESSURE ON SRV

Bangkok SU ANAKHOT in Thai 18-24 Jul 85 p 7

[Editorial: "Diplomatic Victory"]

[Text] On his return to Don Muang following his trip to Malaysia to attend the ASEAN conference, Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, talked about what had been accomplished. He said that all the countries have a clearer understanding of the situation along the Thai-Cambodian border and have sympathy for Thailand, which must bear this burden. Many countries are giving aid money and accepting increased number of Indochinese refugees.

Getting other countries to understand the situation in Cambodia is a diplomatic achievement which should make us happy. But something else that should be given great attention is what this diplomatic victory can do to help bring an end to the terrible situation in Cambodia.

Friendly countries are doing various things to help lighten our burden, such as providing food, clothing and medicines and accepting Cambodian refugees for resettlement in their country. But this does not help to end the terrible war that Vietnam is waging against Cambodia, which is likely to continue until the last Cambodian is killed or flees Cambodia or the situation shifts and the Cambodian people win a victory.

The source of the problem is Vietnam, which invaded Cambodia and began killing the people. What is strange is that while friendly countries say that they understand the problem in Cambodia, they continue to do nothing about the occupation of that country or the killing there. The help that these friendly countries are giving to Cambodia only shows their sympathy. All it does is provide sanctuary for those who have fled and provide some help to Thailand, which has to help these people.

It seems that no one can put a stop to Vietnam's insane actions. Hasn't anyone thought about talking with the Soviet Union, Vietnam's big brother who is standing in the background and who has constantly helped

wage this war? In the past, the peoples of the world told the United States to stop its unjust war against Vietnam.

We do not feel that these diplomatic victories are enough. The ASEAN countries should show solidarity and launch a diplomatic offensive to get the entire world to condemn the invaders. That would be a real victory.

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THAILAND

LOW PAY FOR MPS LEADS TO CRIME, "SWEETHEART" DEALS

Bangkok WIWAT in Thai 16-22 Jul 85 pp 17-19

[Article: "Survey of MP Finances; Democracy In a Bad-Check Situation"]

[Text] From a House of Representatives activity report for 1984, it has been learned that the Ministry of Justice requested permission from the House to file criminal charges against seven MPs while parliament was in session. It is well known that these criminal cases involved violations of the Act on Violations Stemming From the Use of Checks, or the Check Act. The seven MPs charged were Mr Prem Malakun Na Ayuthaya, Mr Sihanat Rutha, Mr Wiset Chaiai, Mr Chamlong Rungruang, Mr Wattana Atsawahem, Mr Suthep Thuaksuban and Mr Sathap Sirikhan. The House had never before granted permission to file charges against an MP while parliament was in session.

"Bad check" cases are ordinary cases that occur frequently. And because today's economy is in such "bad shape," "bad checks" are a common matter in business circles in general.

Survey of MP Finances Based on Records of Salary Transactions

Each MP is paid a salary of 18,000 baht a month. Their net pay after taxes is approximately 15,000 baht. When asked whether their salaries are adequate, almost all said that their salaries were not sufficient and that such a small salary was virtually meaningless. And actually, that seems to be correct provided that we ignore the identity of these MPs. Most of these people have other sources of income besides their salaries as MPs. The fact is, many MPs have a secure economic-business position. Or because of their positions as MPs, it is easy for them to earn money from other sources. But even though MPs have an opportunity to earn money from sources other than their monthly salaries, in every period there have always been problems that have led to salary transactions.

The buying and selling of MP salaries is something that has been carried on to the present. From investigations, it has been learned that the financier who purchases the salaries of MPs in advance is a parliamentary official who holds the position of head janitor. His name is Phadoem Phophithakkun, or Nong. Another person who is involved is his common-law

wife, Mu, or Surasi Sawana. As for how these transactions are conducted, the buyer deducts 10 percent from the principal sold. "This has been going on ever since parliament held its sessions in the Throne Hall. Because this has been going on for so long, buyers have been able to accumulate much capital to carry on activities," said a senior MP. He added that "in recent times, parliament has managed to survive for a long time, and this has facilitated such transactions."

This senior MP also said that MPs have frequently sold their salaries in advance for large sums since they are confident that parliament will complete its term. Or if parliament is dissolved, they are confident that they will be returned to parliament. But things have not always turned out as expected. Take the case of Amphon Chanthacharoen, or "Mr Banana," a former MP from Mahasarakham Province, for example. He sold his salary in advance in 1983. Parliament was dissolved suddenly, and in the general election, Amphon Chanthacharoen failed to win re-election. He was a very unlucky man that year, and the person who had purchased his salary was not a nice person.

Whoever Gets the Chance Will Take the Profits

It's true that the problems of the MPs are not the same. But in the final analysis, sometimes the "unchosen" path automatically becomes the "chosen" path. And sometimes financial problems lead to MPs becoming the power base, either willingly or out of necessity, of other people.

For example, MPs in the group of Mr Banhan Silapa-acha, the secretary-general of the Thai Nation Party, have had to borrow money from him. It is said that on the days that MPs are paid their salary, accountants of Mr Banhan, a circumspect man, sit and collect 5,000 baht from each of the MPs who owes him money.

Some MPs have tried to solve their financial problems by "forming groups" and then bargaining with certain MPs who are thought to be rich. They offer to support the parliamentary motions submitted by the wealthy MPs. What happens after everything has settled down is that the profits flow as agreed on.

But some MPs find themselves in ever worse straits when they have to obtain support funds from "seniors" in the same party. Most of these MPs are relatively unknown MPs who play only a small political role. Besides this, they are poor. Most of them come from the northeast.

These are just the phenomena that are known in general. The details may be much more complex and even much worse.

Pay, Pay, Pay, Money Management

While MPs earn a gross salary of 18,000 baht, the official and public-work expenditures of MPs in each election zone, their expenditures

on public-welfare activities and their household expenditures exceed their incomes. But it cannot be concluded that MPs are paid too little and that the law should be changed to adjust their salaries. In the past, some MPs made an issue of this but then retreated when they came under attack.

"I keep my spending within my means. Most of the money is spent on making trips to talk with the people in various places and in performing acts of merit that I think will benefit the public. Campaigning requires money. But I have never campaigned by spending money on gifts or by distributing money," said Mr Piyanat Watcharaphon, a Thai Nation Party MP from Sisaket Province who serves as the deputy speaker of the House of Representatives and who earns a salary of 12,000 baht a month plus an expense allowance of 15,000 baht a month for a total of 27,000 baht.

After deducting taxes, the take-home pay--salary plus expense allowance--of Mr Thoetphong Chaiyanan, a Democrat MP from Tak Province who serves as the deputy minister of public health, is 27,370 baht. When this is added to his salary as an MP, he earns quite a large salary. But Mr Thoetphong said that "by itself, my salary is not enough to cover my expenses. I have personal expenses, and I must provide food for the people who visit me on the weekend. My salary is insufficient. And this doesn't include acts of merit."

Mr Sombun Chiramakon, a Democrat MP from Nakhon Ratchasima, and Mr Kasem Butkhunthon, a Progressive Party MP from Phetchabun Province, said that even though their salaries are barely sufficient, they don't have any problems in meeting with supporters who frequently come to visit them at home. Their homes are open to visitors 24 hours a day.

"In carrying out acts of merit, or doing something to help the people, if we cannot help by donating money, we can do so by donating our labor," said Mr Sombun Chiramakon, who was sure that the people understood him. MPs who make such statements will definitely gain the support of the people.

Some good MPs use their meager financial resources to help the people and build a good image for themselves. But there are many other MPs who are wealthy and who do not have to worry about gaining the confidence of the people, except to have them believe in the "power" of money, which is the root cause of everything. These MPs may have lived a life of pleasure for too long or become addicted to various vices. They don't seem to be very interested in the affairs of parliament. It is these MPs who have created blemishes and held back the development of parliamentary democracy.

That is not all. There are now many rumors to the effect that some parliamentary officials are trying to procure "first-class prostitutes" to "ensnare" MPs. This has furthered tarnished the image of these degenerate MPs.

Summary

As for the future of parliament, an institution in which the MPs are the important mechanism, everyone hopes that things will improve. That is, they hope that parliament will develop on all fronts, including the "personnel" front.

The economic problem in a period of economic recession is an important problem of MPs as well as people in general. Regardless of whether the trend is up or down, the problem of MPs passing bad checks will continue to be a problem for a long time to come. But it will be a good sign if, amidst all the economic problems, the MPs, who are the spearhead of democracy, can analyze their problems and roles correctly and stop being parasites of parliament.

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THAILAND

FURTHER REPORTS ON POLICE, MILITARY INTEREST IN SHARE FUND

Bangkok WIWAT in Thai 9-16 Jul 85 pp 18-23

[Article: "Mae Chamoy Fund Collapses! Background and Crisis"]

[Excerpts] The Mae Chamoy share fund crisis has not affected just those who invested money toward the end. Many other shareholders such as air force personnel are experiencing problems, too. On 29 April 1985, Air Chief Marshal Praphan Thupatemi, the RTAF CINC, answered reporters questions and denied that senior RTAF officers had been repaid. He said that "at presnet, many air force personnel are very upset. Look at me, my face has a strained look, too. Everyone is waiting and hoping. We will have to be patient."

But what is most interesting is that on 8 May 1985, Gen Athit Kamlangek, the supreme commander and RTA CINC, appealed to Mae Chamoy to come out of hiding and try to repay 10-30 percent of the money. "She should come out of hiding. Everything can be settled. By remaining quiet and not saying anything, she has made the situation worse and put the burden on the government. I am waiting for her to come out of hiding." Gen Athit's attitude on that occasion clearly showed what will happen to the Mae Chamoy share fund.

Under the Protection and Backed By the Prestige of Luang Pho Rusilingdam

During the 3 months that Mae Chamoy was in hiding, there were many rumors. For example, it was rumored that she had gone abroad. Others said that senior air force officers had had her killed to silence her. But actually, she was still living in Thailand under close protection.

Besides this, a senior air force officer has told ATHIT-WIWAT that during the time that Mae Chamoy was in hiding, she spent part of the time traveling back and forth between Bangkok and Wat Thasung Uthaithani, a well-known temple under the control of Luang Pho Rusilingsam, a well-known monk. Because of her visit to this temple, she now likes to wear white clothes. But he could not confirm whether she had started wearing white clothes on the recommendation of Luang Pho, as has been rumored.

"What is definite is that many air force personnel who invested money in her share fund gained great hope when reports appeared stating that Luang Pho had predicted that nothing would happen to Mae Chamoy and that she would not encounter any serious problems after coming out of hiding. She might experience just a few hardships. [He predicted that] most of the shareholders will get all their money back," said an air vice marshal.

Finally, wearing a white dress and black-rimmed glasses, under the close protection of air force personnel, Mae Chamoy made an appearance on 7 June 1985 after hiding for 3 months at the gymnasium of the 6th Group at Don Muang. Before she came out of hiding, Mrs Chamoy met with Air Chief Marshal Praphan Thupatemi, the RTAF CINC, on 6 June. When she appeared in public, she said that she intended to repay the money that had been invested with her. But she did not state what percent of the money would be repaid. She denied having sent money abroad or of having moved valuable property. Besides that, she announced that she was definitely dissolving her share fund.

Did Athit Order Mae Chamoy Arrested After She Was Cheated?

After 7 June, the situation became very tense. With very little hope left, various groups tried to bargain in order to get their money back. In particular, the group of Mr Pan Hanhongkham held together tightly, hoping that the secret negotiations with Mrs Chamoy would produce better results than legal methods. But regardless of what psychological activities were carried on, their hopes were dashed when it was announced at a meeting that an air force officer who had been sent to question Mae Chamoy reported that "Chamoy does not have any money to pay her debts. She was cheated by a senior person."

A news report has informed ATHIT-WIWAT that during the period that she was in hiding and just after she came out of hiding, certain people, particularly several senior air force officers who had each invested 10 million baht, hurriedly withdrew their money. Besides that, certain senior people withdrew almost 100 million baht. And before that, that is, before the Act on Loans That Defraud the Public, or Share Act, was approved by parliament on 2 May 1985, a huge sum of money was withdrawn from this well-known share fund. Even on the day that parliament met to discuss the Share Act, that is, 2 May, it was revealed in parliament that Lady Phimpha Suntharangkun, the wife of Gen Prachuap Suntharangkun, the deputy prime minister, had invested 16 million baht. Gen Prachuap denied that.

When rumors began spreading that Mae Chamoy had been cheated and that she had said that she could repay only 3-5 percent of the money, the situation became even more tense. No one believed that she would be able to repay the money at the beginning of July. A shareholder filed a bad-check charge against her on 25 June. This was the first shareholder to take such action.

Who Cheated Who and Who Is Behind the Screen?

A high-level news source in the air force told ATHIT-WIWAT that as everyone knows, Mrs Chamoy was just the "front" person in this billion baht oil share fund. She was the one who had to sign the checks and so she is the one who has to take the blame even though this share fund was controlled by a committee composed of 9-10 people, which included Mae Chamoy. The news reports on the various things that have happened lead to the following observations:

1. After she was taken into custody and questioned intensely at the Suppression Division, Mrs Chamoy wrote a letter to an important person named Prasit. This letter was sent through Police Maj Gen Bunchu, Wangkanon, the commander of the Suppression Division. She asked him to tell Prasit to contact Police Col Bunrit Rattanaphon, telephone 222-7822, or the commander of the Suppression Division, telephone 241-4846, as quickly as possible. "Ask him to take pity on me."

Many people are still trying to figure out who "Mr Prasit" is. The 3 July issue of THAI RAT, which came out on the afternoon of 2 July, identified the person as Mr Prasit Sapsakhon.

ATHIT-WIWAT's news source in the air force said that this Mr Prasit is a man who is very well known in Thailand. Other news sources said the same thing. In short, this Mr Prasit is very well known in social circles.

2. Some newspapers said that Mr Seri Sapcharoen, a person who became well known when the Racha Finance Company [collapsed], was involved with this billion baht oil share fund. But Mr Seri Sapcharoen has denied this and has filed libel charges against those newspapers.

3. A well-known lawyer was involved with this share fund. There have been reports that he invested in the fund but that he withdrew his money before the Share Act went into effect in November 1984.

4. The director of a state enterprise was 1 of the 9-10 [members of the share fund committee], as was:

5. A retired police lieutenant general with the initials "K.P."

6. After certain newspapers printed stories about "General P," mention was made of Air Marshal Prasoet Rattanakan, the deputy director of the RTAF Science and Weapons Development Center. Air force shareholders said that this officer, a member of Chulachomklao Royal Military Academy Class 4, was an important person who invested in the share fund. Some said that prior to this, "Gen P" was about to take six large suitcases filled with money to Singapore for Mrs Chamoy. But Air Chief Marshal Somphon Burutrattanaphan, the RTAF chief of staff, ordered the aircraft not to leave. However, a man close to Air Chief Marshal Somphon said that that was not true.

Air Marshal Prasoet said that such rumors have been floating about since 29 March 1985, the day that he was to travel to Singapore. He was not able to make the trip because of an engine failure. He denied that the six suitcases contained money. Rather, they contained 30 mangoes and 3 kg of glutinous rice. He said that he had told the RTAF CINC that he was not involved in this. Today, he can "hold his head high" in the air force.

However, rumors about "Gen P" are still circulating among shareholders. In particular, there is criticism about his not being hurt [by the failure of the share fund].

7. A former deputy minister who is well known was involved, too.

8. There are rumors that a retired major general named "Ch" took money abroad.

But regardless of what the truth is, it is Mrs Chamoy who knows better than anyone else what the real facts are. She has already told many things to officials. The only question is how the officials concerned will use her testimony to take further action in this case.

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CSO: 4207/255

THAILAND

4TH ARMY CHIEF ON POLICE-GANGSTER LINKS, CPT

Bangkok SU ANAKHOT in Thai 18-24 Jul 85 pp 8-11

[Interview with Lt Gen Wanchai Chitchamnong, the commanding general of the 4th Army Area; date and place not specified]

[Text] [Question] Would you compare the present situation in the south to what it was when you first came here? What are the differences?

[Answer] I was assigned to the south in 1980. I came directly from Moscow (assistant military attache stationed in Moscow in the Soviet Union). I served as the chief of staff of the 4th Army Area. Following that, I served as the deputy commanding general. I became the commanding general in 1983.

As for what has happened during these past 5 years, when I first arrived, the communist terrorists were active in remote districts such as Wiang Sa and Phra Saeng (in Surat Thani Province). State officials could not go to those areas. Landrover vehicles could not travel to those areas. Company-sized military units were attacked. Sometimes almost all the men were lost. There was great violence.

It was during that period that Prime Ministerial Order 66/1980 was issued. This was a new policy. We saw that those who were going into the jungle did not have communist ideals. Based on my discussions with those who surrendered, [I can say] that more than 90 percent had been oppressed by government officials. They did not know on whom to rely. They had not been treated fairly in society. They went into the jungle to seek justice. That is why they took up arms to fight the government.

Once the government decided that these people did not subscribe to communist ideals, it opened a way for them to participate in national development. I think that this was the right way to solve this problem. They were given a chance to fight injustice peacefully through elections and the House of Representatives.

Thus, things improved continually. They used to have large bases in the mountains. When they held large celebrations to commemorate the anniversary of the revolution or the founding of their party, the drums could be heard at the foot of the mountains, as in Phatthalung Province, for example. But now, we have destroyed their large bases, and many of them have surrendered.

Because of this, we now say that they have shifted from waging a revolutionary war to waging a guerrilla war. They carry on small guerrilla operations or carry out acts of sabotage in various places. They are now living in the plains areas like common people. Some have surrendered; some have not. But by coming down into the plains, they have created a problem, a crime problem.

I have already told you that these people do not have communist ideals. When they returned, some of them were afraid and did not trust government officials. They refused to surrender. Some of them could not earn a living and so they turned to crime. I think that MPs have discussed this in parliament.

They are cooperating with gangsters. In the past, gangsters were active only in the large cities. There were very few in the districts since the communist terrorists who came from the center did not like these people. [At that time], the communist terrorists had ideals. They helped the people and would not steal anything. But now, the communist terrorists living in the jungle are no longer like that. They demand protection money and rob people.

We are confronting a new situation. To solve this problem, we must have a new policy.

Talking about the things that happened during the period that I served as chief of staff and deputy commanding general, as chief of staff, I had to be aware of everything that was happening. When I became deputy commanding general, I had operational responsibilities. An image of a peaceful south was being created. But in my view, things were the same. The things that happened were quite similar.

Now, people view the south as being a violent place. But the violence did not start just recently. Things have been this way for a long time. I can remember when civil administration headquarters buildings and hotels were bombed and when schools and train stations were burned. I think that things have improved since then. What is just as bad as ever is the problem of gangsters demanding protection money. We must find a way to solve this problem. That is all I will say about the communist terrorist problem.

As for the bandit terrorist problem, there used to be much violence. But after they failed to form a separate country, the Thai Muslims realized that they were born in Thailand and that they could not

live in another country. They realized that they could not form a separate country or survive in a small country consisting of only four or five provinces.

Because of this, some groups gathered together former separatists to form a bandit terrorist group. They took this opportunity to form a bandit group. These bandits are just like bandits in general. Their fellow countrymen in the south know what is going on and do not support them. Rather, they feel that these people are causing problems for them.

The bandit terrorists do not have any large bases left. There are only small groups of 10-12 men that demand protection money. If people do not pay them the money, they cause trouble by burning their tractors or doing something else like that. It is no longer a political movement.

Another group is the Malaysian communist guerrillas. I think that this group poses a danger to us. These are foreign forces who are living in our country. We cannot allow them to stay here since this is a loss of sovereignty. Even U.S. forces have tried to help us get these people to leave. These are illegal foreign forces. We cannot allow them to stay in our country.

They manage to live here by demanding protection money and collecting money from Thais who live along the border. They collect money monthly. When we seize one of their bases, we find receipts. In Betong alone, their annual income totals approximately 100 million baht.

In suppressing the communist terrorists and bandit terrorists, we do not want to use force since we consider them to be fellow Thais. We just try to force them to surrender and live like ordinary people.

This is the situation in the south in general. There is a debate about whether the south is peaceful or not. In my view, it is neither peaceful nor unpeaceful. But things are improving. It has been like this for a long time. Some people say that the government's figures are inaccurate. But I can confirm that they are correct. When something happens, it must be reported. Deaths must be reported. When people enter a hospital, it must be reported.

The statistics on the burning of schools and hotels, the bombing of civil administration headquarters buildings and the destruction of railroad track must all be recorded. In the five southern border provinces where school buildings were burned frequently, no such incidents have occurred recently.

During the period that I served as the chief of staff and deputy commanding general, such incidents occurred all the time. I was very concerned about that and so I remember those incidents. When the commanding general was not present, I worked to solve the problem in his place. But as the chief of staff and deputy commanding general,

I was restricted in what I could do since I did not have full power.

I think that one reason for the situation in the south has to do with the wealth of this region. The poor people do not enjoy a fair share of the wealth. They are still at a disadvantage. The powerful and influential financiers have many advantages. They own tens of thousands of rai of land. But those who live in the area and who are masters of the area have suddenly found themselves in the position of hired workers. This is the cause of the strife. If the land problem in the south is not solved, in 4 to 5 years, this will be a major problem, and the south could burst into flames.

[Question] You are referring to the fact that financiers have bought up all the land, aren't you?

[Answer] Yes. That is the problem that I was talking about.

[Question] In short, the south has only one problem, the crime problem.

[Answer] That's right. The communist and bandit terrorist movements no longer pose a threat, or only a very small threat. However, former communist terrorists and others have joined together to work as criminals. During the transition period, the Anti-Communist Law entrusted the military with certain powers. But there are no longer any communists. We now have to use the criminal laws to solve the problem. The military doesn't have any authority. We just help the police and rely on the powers of the police.

We do not feel comfortable about this. For example, before the military can help the police, a meeting must be held. It's as if we are interfering with them. But that is not really the case. It's just a matter of coordinating things. We allow the police to use a platoon or company of soldiers. When something happens, the police are allowed to handle the matter. We just provide support.

[Question] You once said that the criminal problem stems in part from the fact that the state apparatus has not been able to replace the influence of the communist terrorists in the area.

[Answer] That is correct. I did say that. In the past, the communist terrorists controlled most of the rural area. Thus, there were few criminals. When the communist terrorists were defeated, they lost their influence, which was replaced by state power. However, state power here refers to the police. The administrative officials still do not have full power concerning safety from bandits, crime, demands for protection money or the dark powers. Because of this, a gap has appeared. Because of their inability to take over [from the communist terrorists], the situation has changed very quickly.

[Question] Is it because of the officials' lack of efficiency?

[Answer] It also stems from the number of people.

[Question] Is it true that [some] officials in the south are corrupt?

[Answer] Yes. That plays a part, too. From what we have learned in several cases, officials have been involved. They have given advice to bandits. In short, there would not be a dark-power problem in the south if these dark powers did not receive support from officials.

All sectors are involved, including the military and the police. If soldiers are involved, I transfer them out of the south to the central region. If police officials act improperly, they are transferred out of the area. If they improve themselves, they can return later.

[Question] A few months ago, several senior police officers were transferred. Were they involved in such matters?

[Answer] When we reform officials, it is usually at a high level. In the case of police officials, for example, it is at the level of superintendent or chief inspector. But officials who have been in an area for a long time have problems. NCOs are important, too. In the past, we transferred seven or eight police officials. The situation improved for several months and then got worse again. If we keep doing this, things in the south will become very complex. It takes time.

We are now providing training seminars to teach them how they should act in a democracy with the king at the head. We must not do anything to trouble the people. This is what the 4th Army Area is doing. We have opened Rom Klao Chao Tai and mobile Rom Klao Chao Tai courses for officials in remote rural areas. But this is not yet being carried on very widely.

[Question] Is there a problem in coordinating things between the military and the police?

[Answer] In the past, there was a great problem. To solve the problem, a joint center was set up. Stated simply, the 4th Army Area acted resolutely. We gave orders like a dictator. Two years ago, things improved and so we changed the system. Officials in each sector and in each unit should carry out their duties and fulfill their regulations in order to achieve long-term results and carry on the fight peacefully.

After a period, I realized that if we relaxed at all, we would have to go through all this again. People still have responsibility. Others can't just start giving orders. People have to know what their duties are.

[Question] What about ore smuggling?

[Answer] The 4th Army Area is not directly responsible for [suppressing] this. The government has an ore smuggling suppression committee, the chairman of which is the deputy prime minister. This committee is directly responsible. A suppression center has been set up in the south. Government officials from all sectors are involved. The deputy under secretary of interior (Mr Anan Ananthkun) is the director of this center.

The military just sends troops to provide help. When they want us to provide help, we send forces.

[Question] To what extent are government officials involved in ore smuggling?

[Answer] Speaking frankly, the government has still not found a solution for the mine operators. For example, one company had 100 workers. It had to produce 200 kg of ore a month in order to pay the workers. But suddenly, the government set the quota at 100 kg. But the company could not shut down. It had to support its workers just like before. It had to produce 200 kg. However, now, it could sell only 100 kg to the government. What could it do with the other 100 kg?

Production costs remained the same. It couldn't stop production. If it did, it would lose all its workers. And if it ceased operations, ordinary people would come into the area, and it would have problems getting them to leave. Thus, I think that it will be difficult to solve this problem. Ore is still being smuggled.

[Question] Is it true that government officials are involved in ore smuggling?

[Answer] Some are. But not all. In some cases, government officials are not involved in any way. Ore is smuggled out for the reasons I mentioned above. This is true even for the ore mined in the concessions. It isn't necessary to mention the ore mined illegally. There are large quantities.

I am not involved in this directly. But I do know that some officials cooperate with the smugglers, as is well known.

[Question] Can we return to the land problem, which is growing worse?

[Answer] From what I see today.... Take the establishment of palm plantations, for example. Companies are established jointly with foreign [companies]. The maps show that an area is a forest preserve. But if you go there, you will see that 40-50 percent of the area is populated and that the people have been living and working there for years. In some places, people pay the NS3 and SK1 [land use permits] fees and the state accepts the money. Thus, this is implicitly accepted.

A company that wants to establish a plam plantation must have [at least] 20,000 rai. Because if it has less than that, it will not be able to make a profit. Thus, it will request permission to rent land and change the zoning. Because by law, no one is allowed to live in the area. A fight usually breaks out. The old owner who has lived there 20-30 years and paid taxes to the state suddenly finds himself in the position of a hired worker. This causes resentment. The state cannot do anything to help. There is resistance and threats are made, as happened in Krabi.

Besides this, the communist terrorists who have come to live in the plains and who make their living illegally have squatted on the land and announced that only their relatives and friends can live there. They have divided up the land in 5 and 10-rai parcels among themselves.

The military feels that if this is allowed to continue, the communist terrorists will gain influence over all the people in these rural areas. We have recommended that the 4th Army Area serve as a center to look after the degenerate forests with the aim of fighting these communist terrorists. If a forest has a problem with financiers, we will go and check things. If people were living there first, they must have priority. They can't be driven out. They have to be allowed to live there, too.

[Question] How do you feel about abolishing the Anti-Communist Act and using the Security Law instead.

[Answer] At present, no action is being taken on the Security Law. The communists are not a problem at present. But I think that the Anti-Communist Act should remain in effect since we do not know whether they have any forces left. Once their forces have been completely disbanded, we can talk about that. The Communist Party of Thailand is a political party. It can be compared to the Thai Nation and Social Action parties. But unlike these other parties, the CPT has armed forces. We can't allow that.

[Question] What is the size of their armed forces in the south?

[Answer] Approximately 500 men. But they do not have any large bases in the mountains. They are carrying on guerrilla operations in the plains. They are armed.

[Question] Where is their headquarters in the south?

[Answer] We think that it is in southern Chumphon near the Surat Thani border. We have tried to locate it several times but have not succeeded. Based on intelligence reports, it is somewhere in that area since there have been activities there many times.

[Question] Who are the members of the southern CPT Central Committee?

[Answer] Chamnan Banchongklieng is still a member. The ideological activists are still members. But there are no longer any large bases or political schools in the jungle.

[Question] There have been reports that you will be transferred to Bangkok at the end of this year.

[Answer] I don't know anything about that (laughs). My superiors haven't said anything. I can go anywhere. I will always do my best.

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CSO: 4207/264

THAILAND

EDITORIAL SEES HIGH-LEVEL COMPLICITY IN POLICE SCANDAL

Bangkok SIAM RAT SAPDA WICHAN in Thai 21 Jul 85 p 2

[Editorial: "Southern Police"]

[Excerpts] Recently, reports about the transfer of groups of police officers or individual police officers in the south have appeared in the newspapers almost daily. They have been transferred because of their suspected involvement in serious criminal activities such as the smuggling of ore abroad and the smuggling of goods into the country. In the most recent case, five police officers were transferred from Krabi Province. They were suspected of cooperating with bandits who had closed a palm plantation and demanded ransom money.

Because police officials are responsible for upholding the laws, or suppressing those who violate the law, in order to preserve peace in the localities and protect the lives and property of the people, if a police official commits a crime or cooperates with criminals, the honest people will suffer and will not be able to earn a living normally.

It is not only the people and politicians who lack confidence in the efficiency of the southern police. Even administrative officials, who are regular government officials, too, lack confidence in them. Take last week's arrest of smugglers who were smuggling a shipment of ore abroad by boat from Satun Province, for example. Administrative officials, including the governor of Phuket Province, cooperated with Customs Department officials and suppression unit officials assigned to the Andaman Sea in making the arrest. Police officials did not participate in this operation since it was felt that in the south, most police officials are in cahoots with the ore smugglers.

We do not feel that transferring police superintendents, inspectors and other police officers is the right way to solve this problem. Occasionally, transferring police officers makes it even easier for these police officers to engage in corruption. These police officials do not act alone. Their superiors know what is going on and are receiving bribes, too. Or stated differently, subordinates are just tools. Thus,

to solve this problem, police officers at higher levels must be transferred. At the same time, police officers at all levels should be assigned to an area for only a limited period of time.

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THAILAND

BRIEFS

ASEAN MILITARY COOPERATION--It's true that ASEAN is not a military alliance. But in actual practice, joint military exercises, or military cooperation, seems to be a fundamental matter. Thailand is an important base to which students come for various types of training, particularly jungle combat and special forces training and even flight training. The navy seems to be "cooperating" more closely with other ASEAN countries than are the other services since all these are maritime or island countries. For example, the joint exercise with the Indonesian navy was codenamed "C Garuda." The exercise with the Philippine navy was called "C Philtha." That with the Malaysian navy was named "Thale Lat." The exercise with the Singaporean navy was codeamed "Sing-Siam." Four naval exercises, the "cobra Gold" exercises, have been conducted jointly with the U.S. navy. These joint exercises are held every year. The United States has divided the Cobra Gold exercise into four sub-exercises. The largest sub-exercise is not the beach landing but rather the joint surface and anti-submarine exercise, which, in our honor, has been named "C-Siam." [Text] [Bangkok LAK THAI in Thai 24 Jul 85 p 7] 11943

CSO: 4207/262

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK REPORTS ON BATTLEFIELD ACTIVITIES

July Results

BK040242 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 3 Aug 85

[July battle results from battlefields throughout the country]

[Text] 1. Koh Kong-Kompong Som battlefield: 105 Vietnamese soldiers were
killed and 115 others were wounded. Total: 220 casualties.

2. Leach battlefield: 82 killed and 94 wounded. Total: 176 casualties.

3. Samlot battlefield: 70 killed and 77 wounded. Total: 147 casualties.

4. Pailin battlefield: 208 killed and 277 wounded. Total: 485 casualties.

5. South Sisophon battlefield: 146 killed and 167 wounded. Total: 313
casualties.

6. North Sisophon battlefield: 32 killed and 34 wounded. Total: 66 casual-
ties.

7. Siem Reap-Route 6 battlefield: 98 killed and 108 wounded. Total: 206
casualties.

8. Chhep-Preah Vihear battlefield: 24 killed and 18 wounded. Total: 42
casualties.

9. Kompong Thom-Kompong Cham battlefield: 71 killed and 94 wounded. Total:
165 casualties.

10. Moun-g-Pursat battlefield: 78 killed and 83 wounded. Total: 161 casual-
ties.

11. Western battlefield: 213 killed and 137 wounded. Total: 350 casualties.

12. Southwestern battlefield: 45 killed and 16 wounded. Total: 39 casual-
ties.

In sum, in July we killed 1,195 Vietnamese enemy soldiers and wounded 1,289
others for a total of 2,484 casualties.

Battle Reports for 26 Jul-1 Aug

BK030541 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian [VONADK] broadcasts the following battle reports, repeated by (Clandestine) Voice of Democratic Kampuchea in Cambodian, during the reporting period 26 July-1 August:

At 2315 GMT on 26 July, VONADK reports that between 15 and 22 July, DK forces on the Kompong Chhnang, Siem Ta, east Battambang, Siem Reap, Kompong Cham, Koh Kong Leu, and Kampot battlefields killed or wounded 51 Vietnamese enemy soldiers; destroyed some weapons and military materiel, including 70 meters of railroad track; and seized some materiel.

On 27 July at 2315 GMT VONADK broadcasts a report saying that between 11 and 25 July, DK forces on the Pailin, south Sisophon, Siem Reap, Siem Ta, and Leach battlefields killed or wounded 143 Vietnamese soldiers; destroyed 12 guns, 2 commune offices, 2 trucks, and some materiel; seized 3 weapons and some ammunition and military materiel; and liberated 2 platoon positions on the Koh Kong Leu battlefield.

According to VONADK at 2315 GMT on 28 July, between 19 and 26 July, DK forces on the Kompong Chhnang, south Sisophon, Chhep, Kratie, Leach, and Siem Reap battlefields killed or wounded 107 Vietnamese soldiers; destroyed 9 weapons, 300 meters of railroad track, and some war materiel; seized some weapons, ammunition, and war materiel; and liberated 2 villages on the Kompong Chhnang battlefield.

In a report broadcast at 2315 GMT on 29 July, VONADK says that between 20 and 27 July, DK forces on the Kompong Speu, south Sisophon, Leach, Samlot, and north Sisophon battlefields killed or wounded 123 Vietnamese soldiers; destroyed 10 weapons and some war materiel; and seized 4 weapons and some ammunition and materiel.

On 30 July at 2315 GMT, VONADK reports that between 16 and 27 July, DK forces on the Koh Kong Leu, Kompong Chhnang, Pailin, Leach, Kompong Cham, Kompong Thom, Siem Reap, Kompong Speu, and Kampot battlefields killed or wounded 109 Vietnamese soldiers; destroyed 28 weapons, 144 meters of railroad track, 11 barracks, and some war materiel; and seized 7 weapons and some ammunition and materiel.

In a report broadcast at 2315 GMT on 31 July, VONADK says that between 2 and 29 July DK forces on the Kompong Cham, Takeo, Leach, Siem Reap, and Kampot battlefields killed or wounded 62 Vietnamese soldiers; destroyed 2 weapons, 1 truck, and some war materiel; and seized 9 weapons and some ammunition and war materiel.

On 1 August at 2315 GMT, VONADK reports that between 23 and 29 July, DK forces on the Kompong Thom, Leach, and Chhep battlefields killed or wounded 39 Vietnamese soldiers; destroyed 4 commune office buildings, 3 trucks, 2 tractors, 1 ricemill, 11 barracks, some weapons and ammunition; seized 4 weapons and some ammunition and war materiel; and liberated 9 villages on the Kompong Speu battlefield.

Six Villages 'Liberated'

JPRS-SEA-85-136
4 September 1985

BK050239 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 4 Aug 85

[Report from various battlefields]

[Excerpt] West Battambang Battlefield: On the night of 31 July, we attacked the Au Mal commune office located at Andong Pring. After fighting for 15 minutes, we totally liberated this commune office. We killed two Vietnamese soldiers and wounded two others. We destroyed a rice milling machine, a stone grinder, 5 barrels of engine oil, 500 sacks of rice, and some war materiel; and liberated 6 villages, namely, Andong Pring, Boeng Reang, Kouk Ponley, (Cheng Chba), Kampoeu, and O Ream.

Vietnamese Commander Killed

BK291536 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 28 Jul 85

[Text] On 19 July, we cut the Vietnamese railroad track at 5 places for a total length of 100 meters at Chonloat Dai north of Tbeng Khpos station on the Kompong Chhnang battlefield. On 21 July we cut it at 5 places for a total length of 50 meters between Krang Skea and Roluos. On 22 July we cut it at 10 places for a total length of 100 meters between Krang Skea and Kdol. Also on 2 July we cut it at 10 places for a total length of 100 meters near Cheung Tea north of Tbeng Khpos station.

On the same day our forces ambushed a Vietnamese jeep midway from Kompong Chhnang town to Rolus. We set the jeep ablaze, killed a commander of Kompong Chhnang Province, wounded 5 men in his escort party, destroyed 1 pistol and 2 AK's, and seized 2 AK's, 3 AR-15's, 300 rounds of AK ammunition, 3 hand grenades, 16 knapsacks, 26 sets of military uniforms, and some war materiel.

38 SRV Soldiers Killed

BK300714 (Clandestine) Voice of the National Army Democratic Kampuchea in
Cambodian 2315 GMT 29 Jul 85

[Report from various battlefields]

[Excerpt] Kompong Speu battlefield: On 25 July, our DK forces intercepted a Vietnamese regiment east of (Phnum Pi), killing 38 and wounding 25 enemy soldiers. Among the dead were a battalion commander and a company officer. We destroyed an assortment of 10 weapons and some military materiel and seized 3 AK's, 1 M-79, 200 rounds of AK ammunition, 3 hammocks, 2 rucksacks, and some war materiel.

CSO: 4212/93

4 September 1985

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

BRIEFS

STATEMENT ON SOUTH AFRICA--The Cambodian people and the CGDK are furious at the murders, arrests, and imprisonment of crowds of people by the racist authorities in Pretoria after they had placed 36 districts in South Africa under emergency rule. We firmly condemn the imposition of this emergency rule and demand that the South African authorities immediately and unconditionally end this. We condemn the policy and criminal acts of the racist regime of Pretoria, which denies the majority of black people their most basic rights. We demand that the South African authorities immediately release all political prisoners and end this inhumane regime. The Cambodian people and the CGDK send their moving greetings to the multitude of African nationalists who have been victims of the racist policy of Pretoria and reaffirm their resolute support and fraternal solidarity for the just struggle of the South African people to win their legitimate and basic rights to live in a free society without racial discrimination and with respect for human dignity regardless of color. The CGDK would like to take this opportunity to express unreserved support for the appeal dated 24 July 1985 by the president of the OAU, His Excellency Abdou Diouf. [Dated] Democratic Kampuchea, 25 July 1985 [25 July Statement by Spokesman of CGDK Foreign Ministry] [Text] [(Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 2 Aug 85 BK]

THIRITH MEETS KENYAN WOMEN'S LEADER--Margaret Kenyatta, daughter of the first president of Kenya and chairman of the Nairobi Conference on the UN Decade for Women, met and had a cordial talk with Ieng Thirith, head of the CGDK delegation, on the morning of 19 July at her office in the Kenyatta Center where the conference was held. Ieng Thirith conveyed the deep gratitude of the Cambodian women and people as well as the CGDK to the Kenyan Government and people for their valuable support to the Cambodian people's just struggle for national defense against the Vietnamese aggression, occupation, and genocide in Cambodia. She also personally thanked Margaret Kenyatta for her firm and mature steering of the conference, thus frustrating maneuvers of those who oppose Democratic Kampuchea. Mrs Kenyatta replied by expressing deep sympathy with the Cambodian women, children, and people, who have suffered from the most miserable foreign aggression and genocidal acts. She said: Why have people been so cruel to one another? Although Cambodia and Kenya are far apart, through newspapers and television the Kenyan people know about the misery in Cambodia. They stand on the side of justice, peace, independence, and the Cambodian women and people who are struggling valiantly for the defense

of their race and liberation of their nation. In conclusion, Mrs Kenyatta expressed her conviction that the just cause for independence and peace of the Cambodian women and people will win. [Text] [(Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 25 Jul 85 BK]

CREDENTIALS FIGHT--On 22 July our Democratic Kampuchean delegation to the world conference on the United Nations Decade for Women in Nairobi enjoyed another major success as the credential committee adopted by 7 to 2 to accept all of its credentials and the committee members resolutely rejected enemy maneuvers against Democratic Kampuchea. As always, during the deliberation, the Soviet Union and Cuba opposed the presence of Democratic Kampuchea and circulated a message concerning this. However, the representative from Bhutan, the chairman, said this unofficial message would not be considered. Regarding Democratic Kampuchea's credentials, they were firmly supported by various members of the committee such as China, Italy, Equatorial Guinea, and the United States, saying that time should not be wasted on this matter as the United Nations had already made a decision on it. The Soviet Union and Cuba also resorted to several other despicable tricks which were all shamefully rejected. Both countries experienced a stinging setback. As for Democratic Kampuchea, it enjoyed a great success as it won the sympathy of many more countries in the five continents of the world. [Text] [(Clandestine) Voice of Democratic Kampuchea of Cambodian 2330 GMT 28 Jul 85 BK]

SAMPHAN ARRIVAL IN CAMEROON--A democratic Kampuchean delegation led by Vice President Khieu Samphan arrived in Yaounde, capital of the United Republic of Cameroon, on 24 July for a friendship visit. Upon arrival at Yaounde airport, Vice President Khieu Samphan and our Democratic Kampuchean delegation were accorded with warm welcome by a minister representing the foreign minister of Cameroon. On the afternoon of 25 July, Vice President Khieu Samphan met and had a cordial talk with the minister representing the foreign minister of Cameroon. The minister reiterated Cameroon's support for the Cambodian people's cause of struggle. After this meeting, the DK vice president and delegation called on the lord mayor of Yaounde. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 28 Jul 85 BK]

CSO: 4212/93

MILITARY AFFAIRS AND PUBLIC SECURITY

TWO POLICE OFFICERS PRAISED FOR BRAVERY

Nam Dinh HA NAM NINH in Vietnamese 31 May 85 p 4

[Article by Vu Truong: "Two Brave and Clever Police Officers"]

[Text] On 9 April 1985 at about 1400 hours, executing a search warrant, police officers Vu Trung Ha and Nguyen Xuan Tiep began to search the house of Nguyen Trinh Hai (alias Sao) in He Duong, Ninh Van Village (Hoa Lu). Following discovery of illicit property including electronic calculators, automobile parts, electric mine detonators, daggers, etc., 2nd Lieutenant Nguyen Xuan Tiep decided to seize these items temporarily and set about making a record.

Taking advantage of the fact that Captain Vu Trung Ha was continuing the search and that 2nd Lieutenant Nguyen Xuan Tiep was writing the record, Sao stepped back close to a door then uncorked a hand grenade, preparing to kill the two police officers. Instantly aware of Sao's foolish act, Vu Trung Ha made use of his martial arts, jumping forward and pressing the grenade firmly against the criminal's hand.

Unable to withstand Ha's pincer-like force, Sao was compelled to drop the grenade. At the same time, Nguyen Xuan Tiep stepped in to help Vu Trung Ha throw Sao to the floor, thwarting his murder attempt and protecting the lives of the friendly police officer and the people.

Nguyen Trinh Hai (alias Sao) had opened a refreshment stall by the Sat Bridge to store and sell stolen goods. All property discovered in Sao's house fit in with the one previously stolen from Group 78.

Cadres and people in Ninh Van Village unanimously and frankly admired the bravery and cleverness of the two police officers, Vu Trung Ha and Nguyen Xuan Tiep.

9213
CSO: 4209/579

MILITARY AFFAIRS AND PUBLIC SECURITY

CRACKDOWN ON THEFT REPORTED

Hanoi DAI DOAN KET in Vietnamese 3 Jun 85 p 14

[Article by Quoc Khanh: "Building a Healthy Lifestyle; Thieves Punished (Case of Theft of Public Property at the Hanoi Food Plant Uncovered)"]

[Text] On 3 May 1985, the large auditorium of the Hanoi Food Plant did not have a single seat vacant. Outside, scores of people jostled their way just to peer through the window. It was rare that a meeting was so well attended. The precinct police took three thieves, who had been caught redhanded the night of 17 April 1985 stealing plant property, to a public investigation in front of the workers. Ironically, all three, Du, Hung, and Tan, were plant security guards. Du, Nguyen Khac Du, cried sobbingly. Hung's voice was choked with tears, and his eyes were bloodshot. Several workers angrily denounced Du and his accomplices. Before this, during long years, male and female workers, oppressed, not allowed to speak and not daring enough to speak up, could but whisper. A female worker stated: "I positively knew that the security guards stole but I dared not speak up for fear of abuse or retaliation."

It Was Not the First Time

Many unpleasant things were heard about security guards of the Hanoi Food Plant for quite a long time. Several years back, at the Sauces Subdivision, 500 kg of soy beans were stolen by the very security guards. According to Comrade Duong, police chief of Minh Hai Ward, the ward police had arrested thieves for stealing alcohol, oil and vinegar. A case of forgery and embezzlement of nearly 100,000 dong was also uncovered at the plant, involving several employees who divided the loot among themselves, including the director. The latter (who was once recommended for the position of deputy director of the Industrial Department) is being suspended pending prosecution, along with the secretary of the CPV committee, and the chief of the finance bureau. The plant management tried to clean its security guard ranks, and built a fence around its facilities, but in the last 2 years, a recurrence of theft was again observed. In particular, since early April, the milling and pressing subdivision experienced continuous losses of peanut oil. Every night, the oil level in cisterns curiously went down a little. The nights of 2 to 3 and 3 to 4 April, 216 kg were lost, and the same thing happened in following nights. Doors to and from the subdivision had been sealed up and reinforced

with big nails, but losses still occurred. Nobody could steal during work hours. There were only two shifts of patrol teams continuously covering the plant during off work hours. This arrangement was a deficiency in itself. The chief of the protection bureau was slow, too conservative, and lacked initiative. On Du's recommendation, he eliminated the system of assigning security men for each subdivision, and instated a patrol team headed by Du. Besides losses occurring in the milling and pressing subdivision, the candy, vinegar and alcohol subdivisions also suffered repeated theft, and all these incidents took place during off hours.

A "Heavenly Net"

For quite a long time, male and female workers suspected the fishy activities of Du and his accomplices. The villains were also cognizant of the fact and therefore pretended an enthusiastic, diligent demeanor in front of the plant management. Du, Hung and Tan all had certain achievements in the past. Their families had at least two members working at the plant and at a certain time, they were very trusted by management. However, as a female worker put it, since their assignment to the plant, unable to resist temptations, their quality was seriously declining. As an instance, Du appeared to squander his money and ventured in gambling. Recently, he built a two-story house of 40 M² on a small road between Minh Khai St and the plant. Lots of rumors circulated among the neighborhood about his family. Early this year, in the capacity of deputy chief of the supply and marketing bureau and within the framework of her responsibilities over warehouses, Miss Binh sent a letter to management denouncing Du's suspicious deeds. Since he was not caught redhanded, Du quickly denied the charges. He even went farther by demanding Binh to "restore his honor," and threatened "corrective measures" if she failed to do so. After that, Du even went to Binh's house and made other threats. He thought he was still trusted by the leadership and could do whatever he wanted. But it was an unwise attitude as it turned out. Since that incident, workers in all subdivisions scrutinized every move by Du and his accomplices. Several nights in a row, waiting for all workers of his shift to be gone, Luong, supervisor of the milling and pressing subdivision, quietly stayed behind, and ensconced himself in a corner near the oil cisterns. Nothing happened the first night, then the second night, but whenever Luong did not stay, oil was lost. Only the patrol team was able to know so accurately the working habits and activities of the subdivision. Luong then secretly reported his suspicion to management. Certain other subdivisions also reported that on several nights, while the night shifts were at work, Du came in and asked that all lights be turned off so that the patrol team could arrest thieves! As a matter of fact, that was the time Du's men could do whatever they liked.

From subdivisions, secret reports concerning Du and his acolytes continued to stream to management. The workers' ears and eyes stretched an invisible net around them. The workers' pressing demand was to bring to light the rascals' fishy deeds. The demand became a heavy pressure upon management which, after due consideration, decided a course of action.

A Meticulous Scheme

Today, Deputy Director Tran Xuan Vinh came to the plant earlier than usual. He summoned Supervisor Luong and told him to go home quietly after his night shift. For a week, under his instructions, Miss Binh had taught warehousekeepers to lock doors from the inside. The same thing happened today. At the beginning of the swing shift, as agreed earlier, warehousekeepers went to the supply and marketing bureau for a meeting. Awaiting that, Binh immediately took some food and sleeping materials to the general warehouse, where Vinh and Tuan, secretary of the youth union, and Hung, cadre of the supply and marketing bureau, were waiting. Giving keys to the three, Binh quickly mingled with the crowd to go home.

Per orders from management, Vinh, Tuan and Hung hid themselves in the upper story of the general warehouse where they could observe the totality of the Quynh Loi subdivision. All three were determined to ambush there until the thieves were caught, and had let their families know that "they were sent out on duty on an emergency." They made tasty bait for fleas rushing out from peanut residue bags.

At this time, Du, Hung and Tan began their patrol shift. They made a turn around the plant to observe. Passing the general warehouse, they saw that the doors were locked from the inside as usual, and they knew that nobody was hiding in the milling and pressing subdivision. Nothing suspicious. They decided to act tonight.

Darkness fell quickly. At 11:30 pm., after a snack, while Hung stayed to guard the main entrance, Du and Tan donned their rain canvas, carried some containers, and quietly headed toward the milling and pressing subdivision. Tan peeled off the seal, removed his outer garments, and made his way into the subdivision (it was no big deal for a security guard who was responsible for the protection of the subdivision to enter it!) Tan filled up the 5 containers with peanut oil: 1 with 10 liters, 2 with 5 liters, 1 with 4 liters, and 1 with 3 liters then gave the containers to Du standing outside. Inside, Tan cleaned up oil spots with a rag.

Sitting on the upper story of the general warehouse, Vinh, Tuan and Hung did not miss a single gesture of the thieves. The warehouse door faced the plant entrance. After a quick discussion, while Vinh stayed on to continue the observation, Tuan and Hung went down to the lower floor, opened the inner lock, pushed the door and rushed out. Arrested, Hung sat still without uttering a word. Tuan then dashed to the subdivision where Du was busy setting in order the oil containers. The thief was flabbergasted and stood motionless. Vinh and Hung joined Tuan for support. Caught redhanded, the thieves hung their heads and confessed their crime. It was then 12:30 am of 17 April 1985.

The following day, news of the arrest of Du, Hung and Tan rapidly spread in the plant and drew great satisfaction from the workers. The whole plant (and the immediate neighborhood) welcomed management for putting an end to this type of pilfering and for bringing the wrongdoers to light. The people were also paying close attention to appropriate sanctions against the three

offenders, especially Du. According to the people, it was not the first time that they stole. They disturbed the plant and spread an atmosphere of passivity and uneasiness in the plant and in the neighborhood.

The theft of Hanoi Food Plant's property gave us several thoughts. Thieves always have lots of tricks in their repertory. They use to have a certain degree of authority, or benefit from people having authority too free a hand or overconfidence. However, regardless of how tricky they are and how long their arms are, they cannot escape the eyes and ears of the people and their concept of ownership.

People said that those eyes and ears, and that concept of ownership were the "heavenly net" we wrote about earlier. They applauded the plant management for using that "heavenly net." It was a little late, but better late than never. They were sure that the Hanoi Food Plant was not the only place experiencing such theft and pilfering of state and people's properties for months and years. They were also sure that everywhere there were "heavenly nets" similar to the one at the Hanoi Food Plant and hoped that the leadership of other places would use those "heavenly nets" in a timely and astute manner. In building a new lifestyle and the new man, it is impossible not to fight negative phenomena, and stealing public property is one. And if we want to build a healthy lifestyle, live through our wages duly earned and through our labor, we need to deal severely with those who make their living through theft.

9458

CSO: 4209/553

RESERVISTS IN HOA LU DISTRICT CALLED UP

Nam Dinh HA NAM NINH in Vietnamese 7 May 85 p 1

[Article by Duong Xuan Thuoc, Deputy Military Chief of Hoa Lu District: "Hoa Lu Conducts Census and Organizes Training of Reserve Force"]

[Text] To improve combat readiness and make a census of reservists, Hoa Lu District recently simulated an alert during which they were called up. Twenty-four hours after receiving the mobilization order, 100 percent of officers and 92.4 percent of noncommissioned officers and troops were on hand at 3 troop delivery clusters to carry out all required procedures. The villages of Ninh Khang, Ninh Tien, Ninh Son, Ninh An, Ninh Thang and Ninh Hai boasted 100 percent of reservists having reported on time. All absences were determined to be legitimate, and throughout the district there was not a single case of breach of regulations. Troop delivery at the clusters was conducted in an urgent manner and in accordance with principles and schedules. After being formed, the units organized party and youth union activities and took steps to begin training. Daily attendance reached 98 percent, with 100 percent for Units 1, 2, 3, 4, 15 and 16. A training day lasted from 7 to 7.5 hours. Nearly all cadres and combatants were exemplary and eager to train properly and comply strictly with military discipline.

To finance part of the training program, 20 days before mobilization the reservists were sent out to work at water conservancy and communications projects and excavate rocks in the locality. They produced 483 cubic meters of mountain rocks, dug and filled 500 cubic meters of earth and repaired nearly 200 meters of road, earning more than 300,000 dong in the process. This money helped the localities defray part of the troop messing costs during the training period.

9213
CSO: 4209/579

PARTY ACTIVITIES AND GOVERNMENT

YOUTH'S CONTRIBUTION TO SUPPORT FRONT LINES EXHORTED

Hanoi DAI DOAN KET in Vietnamese 22 May 85 p 5

[Article by Vu Mao, first secretary of Ho Chi Minh Youth Union Central Committee: "Vietnamese Youth and the Support Fund"]

[Text] First, the "For the Support Fund" movement had the merit of allowing the youth a better understanding of their duties in protecting the fatherland and in building and strengthening our country, and of preparing them in discharging their currently enforced military obligation. In the meantime, the movement caused the youth to turn to our heroic borders and feel pride and gratitude to our warriors and our minority countrymen and youths who are overcoming countless difficulties and challenges to protect the borders of our fatherland.

The shift in perception triggered many effective deeds and movements. On the labor production front, several machine shops, machine sets, pieces of land, and products bearing the name "For the Support Fund," have come into being. Local youths in the whole country have set aside part of their above-quota and overtime products and donated them to warriors and minority peoples at our borders. Even our youths studying and working in the Soviet Union, Czechoslovakia, the GDR, Hungary and Bulgaria, etc., have given 6 million dong, 70 tons of rice, over 10,000 books and newspapers, nearly 100,000 letters, and many other gifts in kind to our warriors and minority peoples in the border areas and to units discharging their international duties in Laos and Kampuchea. Though small, still this support was most valuable because it was the manifestation of love and friendship, and responsibilities of the people in the rear toward those at the front.

Another important feature of the "For the Support Fund" movement was the mobilization by rural union chapters and base units, of their members and other youths in assisting families of the war wounded and war heroes, and other needy servicemen's families in farming and harvesting in busy seasons. Many "love and friendship" houses built by the very hands of the youths warmed the hearts of those who took arms to defend the frontiers of the fatherland.

In towns and cities, union organizations took the initiative in finding jobs for discharged members and youths. Certain units such as the West Side Bus Station in Ho Chi Minh City provided monthly subsidies for the families of their drafted personnel and readily accepted back those discharged.

In order that the "For the Support Fund" movement be effective, in early 1984, we advocated brotherhood between provinces in the South and units doing international duties in Kampuchea and Laos, and between provinces and cities in the North and the six northern border provinces. We also had plans for brotherhood between union members and youths studying and working abroad and border units. These connections were arranged through a formal written agreement program. There were programs geared toward economic cooperation whose aims were mutual assistance in strengthening local economic potential. The Hanoi Municipal Youth Union organized a ceremony to present two 20-kW hydroelectric generators to the youths of two border villages in Cao Bang Province, and announced by the same token, that it had generated an income of over 500,000 dong and bought gifts to be sent to the support fund. Ho Chi Minh City youth also launched several "Four Our Beloved Borders" drives, built "love and friendship" houses, and sent hundreds of thousand dong to the support fund. Youths of the Minh Hai Frozen Products For Export donated their time, bought dried shrimp and noodles and offered these food items to a border post in Lang Son Province right on the spot.

It may be said that the "For the Support Fund" is a movement drawing a strong response from youths. Even inside border provinces, that prevails a brotherhood movement between districts and villages in the rear and those on the front line, and between localities and border units. The movement has attracted a large variety of participants and has a wide range of activities. Young schoolchildren from the Hanoi Trung Vuong School took the initiative to sew national flags and sent them along with letters as gifts to border servicemen. The movement was also developing in armed forces units, institutes, and at people's police posts.

However, in the development process of the movement, together with new positive factors and exemplary models, certain problems have arisen and require timely consideration. In some areas, the movement lacked depth and neglected its educational purpose. Supportive activities sometimes were not practical and in certain instances, too much visitation caused waste of money and disturbance for border units.

We totally agree with Comrade Dam Quang Trung's statement which appeared in the 23 July 1984 issue of DAI DOAN KET, "To Make Brotherhood Ties Practically Meaningful":

1. We will mobilize youth union members and young children in our whole country to participate in "Do Small Projects" production drives, and set aside part of the value of above-quota products for the support fund of the Youth Union Central Committee. The money generated will go toward the purchase of small hydroelectric generators and small machines, and toward the manufacturing of agricultural and forestry products for border provinces and armed forces units.

2. Youths will be the vanguards and main promoters of economic connection and cooperation between provinces in the rear and those on the front lines. In the same context, brotherhood ties between the Hanoi and the Cao Bang provincial youth unions, and between the Ha Nam Ninh and Hoang Lien Son provincial youth unions have already produced initial positive results and experience.

3. An important issue lies in the training of union cadres for mountainous and border provinces. We have advocated the establishment of provincial action teams which will assist border provinces in cadre training, and in the strengthening of youth union organizations in districts, villages, and units on the front lines.

In the implementation of the two party strategic objectives of building and protecting our socialist fatherland, the Ho Chi Minh Youth Union has considered the activities in the rear in support of the army in general, and the "For the National Support Fund" movement in particular, as its essential and permanent objective. We believe that in the time to come, the youth's support fund movement will achieve better results, and, together with our combatants and our minority peoples at the borders, will bring an important contribution for the protection of the frontiers of our fatherland.

9458

CSO: 4209/553

ECONOMIC PLANNING, TRADE AND FINANCE

INTERNAL, EXTERNAL SOURCES OF VIETNAM'S ECONOMIC PROBLEMS SEEN

Moscow LITERATURNAYA GAZETA in Russian No 27, 3 Jul 85 p 14

[Article from Hanoi and Haiphong by LITERATURNAYA GAZETA special correspondent Sergey Merinov: "Vietnam Begins Here"]

[text] Hanoi's Victoria Hotel, built according to the design and with the help of Cubans, and with which an acquaintance with Vietnam begins for many foreigners, stands right at the edge of a lake, one of the countless shallow lakes of Hanoi that give the city a unique appearance. In the morning, from the balcony, I saw the hotel's neighbors--inhabitants of a quite small house nestled on the shore. There was barely a meter and a half from the threshold to the water's edge. Beside the house were chicken coops, on the water ducks and a floating kitchen garden, and immediately alongside--the next house.

Population density in the capital is especially noticeable when the Hanoians get on their bicycles--the predominant kind of city transportation. In the endless streams of Vietnamese, Soviet, French, Japanese and other kinds of bicycles, an automobile seems a mistake. The driver signals continuously, displays miracles of reaction, and only from time to time, with amazing calmness, says--does not yell--through the window to an ordinary bicyclist who has just created a super-emergency situation: "Are you tired of living?"

Hanoi is a little under a thousand years old. In these reaches of the Red River's vast valley, the Vietnamese Nation, its State [governing] system, and its agricultural, political and spiritual cultures took shape.

Hanoi probably is the most Vietnamese of Vietnam's cities. It is replete with history, traditions, national spirit, and that special fountainhead of determination that enabled Vietnam to withstand and triumph in the most trying fight against American aggression. Now resolutions are being adopted here that should lead the country along the path of social and economic progress.

Such resolutions, backed by realistic actions, are very necessary. Vietnam's economic condition remains very confused. For decades, its economy developed under bombs, warped and oppressive colonialism and war imposed from without. The country experiences critical shortages in literally everything, starting with energy, raw materials and machinery, and ending with food and consumer goods. Both agriculture and industry are struggling to find the way to stable development. All is not going well yet, by any means, in production and distribution. Inflation is developing because of the shortage of most commodities. Rationed allocation remains the primary method of supplying laborers, office workers and the military.

The criticalness of appraisal, too, is appropriate to the criticalness of the situation. The weakness of the material and technical base, the low labor productivity and quality, the weakening of socialism's position in a number of sectors, the absence of proper order, due to which the economy and society are made nervous, and the low operating effectiveness of the State apparatus are noted in party documents.

To see the problems, speak frankly about them and seek optimum solutions--such is the position of Vietnamese communists, the only position capable of maintaining strong party authority in the present difficult period; when socialism is experiencing an onslaught by petty-bourgeois elements, when huge amounts of money are piling up in the hands of private merchants, resale dealers and speculators while a great many people lack the very necessities, and when the enemy can be overcome only by an adjusted economic policy and management ability. Hanoi--the brain of the nation, the focus of its political, cultural and revolutionary traditions--is busy even now developing such a policy and such ability.

There is a proverb in the East: "Gallop on a horse and admire the flowers." The Vietnamese comrades kidded me: "Ten days for all of Vietnam--that's the kind of admiring flowers at full gallop in which you won't see anything clearly." However, the hosts themselves did everything to show me the maximum possible during a minimum of time. A day was allotted to Haiphong.

The highway leading to Haiphong is cut snugly into the rice fields: dry fields, fields flooded with water, emerald squares of rice seedlings, buffaloes, humpbacked cows of unfamiliar appearance, peasants (and usually female) ankle-deep, knee-deep and waist-deep in the water. If, on the average in Vietnam, there is 0.1 hectare of arable land per capita of population, then here, in the region of the most ancient Vietnamese farming, there probably is less than that. Rice is an extremely intricate crop, requiring the heavy daily operation of tractors, pumps and other equipment not visible from the road though it is known that the equipment exists in these localities and that it gradually is becoming more plentiful. Supplying the rural areas abundantly with machinery is a long and costly process. At present, wise economic reforms are having a more noticeable effect on the growth of productivity and commodity production output. They told me that, in Haiphong cooperatives, the rice yield had been raised by more than 20 percent when peasants were permitted to sell the produce obtained above assignments on the open market. To generate initiative and enterprise, turn them in the proper direction and ensure control over their social and economic consequences--This is one of the most important and difficult tasks.

If, in Vietnam, there were the title "Hero City", Haiphong should rightly become the first of them. In the most trying time of the fight against American aggression, Haiphong and Haiphongians [its citizens] served the country faithfully and truly. The port was operating, and so military equipment and ammunition, industrial equipment and medicines, raw material and food came in. For the Americans, Haiphong was like a thorn in the side. They bombed it long and cruelly, destroyed living quarters and plants, killed many thousands of residents, shattered port facilities and mined the mouth of the Kam River--the outlet to the sea. But Haiphong lived, worked and sustained the country with all the necessities.

Lin, a worker of the city soviet's department of external relations, showed us the city and port. She studied in Dnepropetrovsk, and speaks Russian fairly well.

"There will be a new port here. The old one already is unable to handle the workload," Lin explained. We drove along a levee in a scorching hot Inturist [Main Administration for Foreign Tourism] Volga automobile. There was water all around. "It's a long way to the sea. Look, there's a ship on the ocean. And this water on the left is shrimp plantations, on the right--rice. There, ahead, where the shrubs are, also will be rice. This is a special shrub. They plant it for two or three years in order to enrich the soil. Afterwards they cut it down, and then rice can be planted. And, in addition, it is planned to create an international tourist complex here."

After this brief sally into the zone of future extensive construction, we set out to pay a visit to the Haiphong branch of the Vietnamese-Soviet Friendship Society. They treated us to puckery-sour green tea, told us unhurriedly about their work and Haiphong's problems, and reminisced about the war years and the terrible 1972 bombings.

I couldn't hold back, and told our comrades that it had disturbed me an hour ago, when we strolled around the Haiphong market. The market is abundantly stocked: from rice, meat, vegetables and fruits to all kinds of haberdashery, clothing, shoes and spare parts for Japanese motorcycles. The goods are of Vietnamese manufacture, both industrial and hand-crafted, imported, and partly even contraband. And a blue denim jacket, with the large, bright letters "U. S. ARMY" sewed on it on one side of the breast, upset me. We walked a little farther, and saw clusters of various running shoes hung on a string, and the vendor, having noticed a foreigner, began to extoll the merchandise with three English words: "America--number one!"

"You say this disturbed you. Others find harsher words. This disturbs us personally, too, outrages us, and America--'first class' and 'U. S. Army' drive us wild.... The point is not at all that we have begun to forget about the American aggressors' crimes. And it is not that Haiphong is an international port and more strongly subject to undesirable influences from abroad. 'U. S. Army' on the blue denim jacket--this is one of the manifestations of the market, the onslaught of petty-bourgeois and bourgeois elements. This problem is not to be solved just by administrative and educational measures. 'U. S. Army' on a jacket is, if you will, a more dangerous adversary, in a certain sense, than the U. S. Army, which we warred against and overcame. War is the most cruel, but not the most difficult business. It is considerably more difficult to score a victory in peacetime on economic and political fronts, where hostile class forces, economic backwardness, and our very own mistakes, disorganization and incompetence in work resist us."

All the Vietnamese I met, whether writers, journalists or party workers, were more inclined to stress their problems than conceal them. This is a very valuable trait if one bears in mind that there really is plenty of problems. At

the same time, the Vietnamese are full of optimism: In recent years, certain successes have been achieved and reassuring results have appeared in basic sectors of the economy, first of all in agriculture--even despite the terrible losses due to last year's natural disaster.

Doubtless, the successes would have been even more meaningful if Vietnam had not found itself drawn into the complicated political games that influential international powers, the United States and China first and foremost, play in Southeast Asia. For Vietnam, this involvement means, first, instability on its northern border, second, the need to keep a troop contingent in Cambodia and, finally, an unsettled state of relations with many countries of the world, including those with member nations of the ASEAN [Association of Southeast Asian Nations]. There is no need to prove how all of this impedes Vietnam's development and how many material and human resources go into the defense both of its own country and fraternal Cambodia; how the rate of economic development is slowed because of the continuing attempts to isolate Vietnam and sever its world ties, representing it as an "aggressor" that has taken over defenseless Cambodia. They are trying to conceal from public opinion in the Western and many Developing Countries the genuine reason for which the Vietnamese found themselves in Cambodia and now are required to maintain their military presence there.

This reason is Pol Pot and the Pol-Potites. First they usurped power. Then they created a monstrous, repressive machine and started to annihilate the Cambodian people. Then they committed aggression against Vietnam, at that time barely having succeeded in driving out the Americans. Finally, when the crimes of the Pol-Potites became unbearable, Cambodian patriots and the Vietnamese, by joint efforts, threw them out of Cambodia.

But unfortunately, and to the people's shame, Pol Pot and the Pol-Potites are alive and acting even now. Their bands, armed by the Americans and Chinese, are trained and malicious. They are represented as "patriots", and have been included in the "coalition government" headed by Prince Sihanouk.

Along the road from Haiphong to Hanoi, we became acquainted with a young fellow, about 20 years old, named Tuan. He had just--not a month before--returned from Cambodia, and had not yet been given a job (They call such as him "awaiting work"). He had served for two years in Cambodia.

[Merinov] In the West, they write that among the Cambodians a hostile attitude toward the Vietnamese has been formed historically....

[Tuan] Nonsense. They get along well with the Vietnamese. Only in the regions bordering on Thailand, in the jungles, are there actually tribes with unfriendly attitudes, and even that is due to the Pol Pot propaganda: "A Vietnamese is an enemy!"

[Merinov] What is the people's attitude toward the Pol-Potites?

[Tuan] They hate them. And they fear them. And I, in general, understand them. They are not cowards. They are ordinary, very peaceful people. They cannot forget the terrible brutalities of the Pol-Potites.

[Merinov] What do they say about Sihanouk?

[Tuan] Oh, many have a fairly good attitude toward him, you know. More correctly, not toward him, but toward the time when he ruled, when there were no American bombings, no Lon Nol and no Pol Pot. You live through that nightmare, lose your relatives, killed with hoes, and for you, too, Sihanouk's times probably will be remembered as heaven on earth. And Sihanouk was not branded later on with the crimes against the people. His own family suffered at the hands of the the Pol-Potites. They killed his children and grandchildren....

[Merinov] But now he collaborates with the Pol-Potites and shelters them....

[Tuan] They have a sham coalition. We know how they squabble among themselves. Sihanouk--He's the cover, the mask. They depend on Pol Pot, and only on him.

Tuan, the former soldier and future motor-vehicle driver (He has such an intention), understands this, and everyone in Phnom Penh and Hanoi understands this. They have a united, clear-cut and firm position: No settlement of issues connected with Cambodia is possible so long as Pol-Potites have a claim to participation in such settlement. They are outlaws. Their sponsors need, at last, to understand this, and seek other, wiser and more honorable ways, insofar as possible, for asserting their authority in Indochina. Vietnam, Laos and Cambodia already have proved that they do not wish to be, and will not be, a "zone of influence" for any power whatsoever. They do not accept dictates and attempts to "teach lessons" to them, but are ready to respond to any constructive proposals not infringing upon their sovereignty and dignity. This is applicable even to the "Cambodian Problem"; although such a problem does not, in fact, exist, and there is only the problem of the Pol-Potites' liquidation: military, political and moral liquidation.

...We returned to Hanoi late, through the clammy darkness of a southern winter evening. The Volga broke the darkness with horn and headlights, and, on the roadsides, the kerosene lamps of street vendors sparkled like fireflies. I left the big city reluctantly after one more day filled with work and concern. Hanoians, Haiphongians and all the Vietnamese took one more step forward that day--a step toward peace, prosperity and socialism.

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CSO: 1807/383

ECONOMIC PLANNING, TRADE AND FINANCE

HIGH PURCHASING PRICES FOR EXPORTABLE GARLIC SET

Nam Dinh HA NAM NINH in Vietnamese 10 May 85 pp 1, 4

[Article: "Notice on Purchase of Garlic for Export"]

[Text] During the 1984-1985 planting season, cooperatives throughout the province grew garlic for export. However, heavy damage caused by storm No 9 and subsequent lingering cold waves had had a great impact on crop yield and quality. In an effort to protect the interests of producers and compensate them for damages caused by natural calamities while maintaining the program of development of winter crops for export in the years to come, the Federated Export Corporation issued the following notice:

--Temporarily put off until the 1985-1986 winter season the collection of garlic strains previously lent to cooperatives for planting.
--Purchase all kinds of garlic, meeting or not meeting export standards, grown by agricultural cooperatives and cooperative member families during the 1984-1985 winter season, at the following prices:

1. Class 1 garlic meeting export standards: diameter larger than 2.2 cm, clean, with stem measuring 2 cm. Price: 18 dong per kg. For 1 kg of garlic sold, the farmer can buy 0.9 kg of nitrate fertilizer at 7.5 dong per kg.
2. Classes 2 and 3 garlic not meeting export standards: small cloves can be sold; must be clean and with stems measuring 2 cm. Price: 15 dong per kg. For 1 kg of garlic sold, the farmer can buy 0.3 kg of nitrate fertilizer at 7.5 per kg.

These prices, higher than those in a number of localities, were set with a view to bringing relief to disaster areas. Cooperative members duly registered for garlic planting may sell their produce to production units and agricultural cooperatives, which are linked by contract to district, city and municipal foreign trade corporations. The state will not purchase garlic from either individuals or private merchants.

Garlic will be purchased through 5 June.

ECONOMIC PLANNING, TRADE AND FINANCE

INCREASE IN SHRIMP FISHING, EXPORT NOTED

Nam Dinh HA NAM NINH in Vietnamese 14 May 85 p 2

[Article by Hoai Hai, Marine Products Service: "Shrimp Production and Export"]

[Text] In 1983, to acquire large quantities of shrimp for export the provincial sea fishing sector introduced the new technique of three-layer net fishing, which can be handled by a single boat or raft, engaged in seasonal production.

Working on local shrimping grounds in the past two years, our province's fishermen have mastered the new craft.

In the first quarter of this year, the two districts of Xuan Thuy and Hai Hau alone caught nearly 30 tons of sea shrimps through the three-layer net method. Following selection, these two districts exported 9,840 kgs of raw shrimp (including 65 percent of large shrimp), achieving almost 40 percent of the year's plan, and an increase of more than 500 percent over the same period last year. With 5,340 kgs Xuan Thuy fulfilled 35 percent of the plan while Hai Hau, with 4,500 kgs, achieved 45 percent.

Shrimp caught by three-layer nets are of rather high quality; for instance, up to 90 percent of the shrimp delivered to the frozen shrimp factory is accepted by it.

Nevertheless, the above results do not fully reflect the facts, especially our province's capabilities of catching shrimp and collecting it for export. Currently, only six cooperatives and some collectives in Hai Hau and Xuan Thuy are involved in the shrimp trade, thus leaving a sizable quantity of shrimp on the loose in the unorganized market. Provincial organs in charge of shrimp purchases still lack policies designed to attract and control the product.

With the arrival of the octopus season, the salt-water shrimp season is drawing to an end; but we have begun to produce ocean shrimp, with spot shrimp as the main catch--a process that may yield 70 tons per year.

To control that major source of marine product we should, on top of existing measures, promptly revamp our organization. So far, we have had fixed purchasing points along fishing piers, whereas other friendly provinces have regularly organized floating purchasing stations inside our own coastal waters

and diligently shipped shrimp back to their processing factories. They have also carried out suitable policies toward producers, especially private shrimpers and seasonal production units operating from agricultural and salt-making cooperatives located in coastal areas. Our shrimp prices have been raised, but not yet satisfactorily--for example, 250 dong per kg of Class 1 yellow shrimp and 120 dong per kg of Class 1 spot shrimp. These prices are still lower than the ones offered by the above floating stations.

We suggest that the province issue regulations banning the marine product trade in markets inside its territory and putting an end to instances of fierce and disorderly competition apt to raise prices and disrupt the marketplace, while paying attention to educating producers about their obligations to contribute to building the local economy and to stimulating them to rise to the occasion.

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CSO: 4209/579

ECONOMIC PLANNING, TRADE AND FINANCE

MARINE PRODUCTS BUSINESS ANALYZED, HARSHLY CRITICIZED

Hanoi DAI DOAN KET in Vietnamese 22 May, 5 June, 3 Jul 85

[Article by Thai Duy: "Management Recapitulation Conference of the National Marine Products Import-Export; The Laughs and Tears of the Business"]

[22 May 85 pp 5, 11]

[Text] 1. The Only Request: Legality

The final management report about the national marine products export-import system had 35 pages and was presented by Deputy Minister Nguyen Hong Can, director of the Seaprodex Vietnam Marine Products Export-Import. It faithfully reflected 4 years of groping and successfully escaping from a stalemate situation and from business losses. Toward its end, the report indicated that it is only hoped that "the state be unanimous and systemize the optimum use of the whole sector to put an end to experiments, illegal practices, and begging for favors."

Why was the marine products sector, which brought in for the state in the most difficult conditions, an amount of foreign currency unequalled by any other sector, cut off from its state sources of material supplies and money? (For 1985, its estimated income in foreign currency was 10 times that of 1980.) Why did the sector not recommend a medal award like any other sector, and merely request "legality" to put an end soon to discrimination, rule breaking, and intrigue?

From a bureaucratic and overbearing regime to a system of socialist accounting and business, experiments (also known as test operations) are an extremely necessary initial step that cannot be overlooked because of our dramatic lack of experience in production and business, and before a new management structure is officially instated by the state. Testing a new structure must always go through a complex and difficult period in which industrious and sensitive cadres and party members who try to get rid of the old way of doing business face scores of hardships and worries. Pretty large numbers of conservative elements still cling to their bureaucratic and overbearing habits and hold firmly to legal policies, laws and regulations to fight and hamper localities and units in their efforts to expand production activities. Those who are shifting to the new way of doing business are still in their experimentation period and not protected because of lack of adequate policies, laws and regulations. The most they can obtain

is lip service instead of firm commitments. They have no other ways than convincing, begging, sometimes cajoling, flattering, and getting into favor with functional and synthesized agencies to get support or at least, to be ignored on purpose so that the new structure can continue to be implemented.

A comrade in the Seaprodex Marine Products Export-Import Corp was delighted when he heard me relate the conference of the three agriculture, fisheries and forestry sectors convened by the party secretariat in Danang in 1985 where party leaders appealed to localities not to wait for material supplies and money from the central government, but develop production instead with capital raised by their own labor, land, forests and sea, and look for a structure appropriate to local conditions and to their own units. With tears welling up in his eyes and in a strangled voice, he told me:

"In the last 4 years, our corporation has been going this way. We discontinued our dependence on higher echelons in the matter of capital and we raised our own. Moreover, we turned in for the central and local budgets much more money in Vietnamese currency and in dollars than during the bureaucratic period. If a few agencies were not that overbearing and made our lives easier, we would be able to make more money."

Once, when meeting with a party leader, I shared with him all my sincere thoughts. If the old way of doing business persists, state money poured into the marine products sector would not be different from pouring it into a bottomless container. Cadres and party members with any scruples cannot stay as onlookers and must rush into their sector to save it from a catastrophe. Obviously, difficulties are immense but those causing most headache come from our own system. The nondoers or those who keep their bureaucratic and overbearing habits are in high positions, have authority, yet their views are limited and they are scared by any kind of change, lest they have to make decisions on transferring one or another element of their production and business units to the new structure. I told the party leader that some friends and I have followed the party for so many years, and that in these few years near the end of our lives, reverting to the new way of doing business made our hair turn grey the fastest. A comrade asked me, "Why didn't you use your concrete achievements to convince those comrades who still believe in the old structure and why did you humiliate yourself with begging and imploring?" I said respectfully, "It is extremely difficult, because it is already hard to change the mind of your equal or of a backward subordinate, but it is even harder to convince a person positioned higher than yourself and moreover, one who has a certain high educational level. Not everybody has an open mind to his subordinate."

The official related one of his most tense encounters that should have not happened. The year 1981 was the first year his corporation implemented the new formula, "Self-Planning, Self-Procurement, Self-Payment of Dues" and got better results than in 1979 and 1980. At yearend, the corporation organized an affair to recapitulate the business and at the very moment the director read the annual report, a flash telegram came with an order to close down the corporation. By then, the corporation was doing business totally with

self-procured capital and as a consequence of the closing order, no foreign currency was available to pay its debts. The news came upon the business like a thunderbolt and did not tolerate any delay. He handed the telegram over to the director. The latter, who had high blood pressure, could not even stand on his own feet after reading the message. He ordered a recess, gave the report which had been read half-way to the deputy director and said, "They're killing us. Please continue the recapitulation for me." He then retired to recover his senses and immediately drafted a message seeking reconsideration of the closing order. Fortunately, a comrade deputy prime minister intervened in a timely manner to allow the corporation to continue to operate.

The representative of the Nghe Tinh marine products department stated that he could eat and sleep well during the years his business was in the red. But in the last 2 years, after the corporation implemented the formula, "Self-Planning, Self-Procurement, Self-Payment of Dues," and made over \$1 million, it became the object of repeated investigations and audits, and an atmosphere of suspicion prevailed. Ironically, making money attracted more problems to his own detriment.

The Nha Trang Frozen Food Enterprise established connections with coastal marine products corporations to join capital for investments in boats, nets, icemaking installations and on-the-spot maintenance equipment in order to develop production and to get hold of raw materials for the manufacturing of exported products. After 3 years of connection, there was a visible increase in exported products and especially in 1984, the enterprise generated an income of \$1.62 million, doubling the dollar amount made in 1981. An enterprise director making that much money should have been happy and enthusiastic when reporting his outstanding achievements before the conference but he spoke with a strangled voice and at times, cried. Now over 50 years of age, having gone through two resistances, his morale had always been high, irrespective of hardships. But in only a few years of reverting to the new way of doing business, fighting overbearing style, he ironically found himself facing a situation in which he had to sit down and respond to certain cadres who were investigating his demerits and who considered him a corrupt element.

At the conference, I happened to meet Comrade Nguyen Tien Trinh, Minister of Marine Products. I asked him: "DAI DOAN KET has run an article commending the new structure of the marine products sector recalling the vicissitudes and bitterness it had gone through. Was there anything excessive?"

The minister laughed and quickly said:

"Nothing excessive. Everything was true. We were very patient in past years. I always reminded my friends in the sector to hold on and keep going. Through deeds and concrete results, we will demonstrate that the new way of doing business is correct in order to secure the consensus of everybody involved."

Like any other new ideas, the formula "Self-Planning, Self-Procurement, Self-Payment of Dues" of the marine products export-import corporation was not immune to attacks and criticism from all over. Pros and cons abounded and those party members who had initiated the formula might have given up if their nerves were not strong enough. Barely a year after reverting to the new business system, the marine products sector completed its plan and the amount of foreign currency it earned surpassed by far the previous year's income. Yet, it was still bad-mouthed as "sheer luck." At the end of the second year, its achievements were remarkable and it could stamp out its own downfall. Nevertheless, when the leaders of the corporation came to the ministry for a meeting, they sometimes had to wait a long time in the lobby like everybody else. Seaprodex Corp made a linkage with the Thanh Cong Textile Enterprise, put to use their strong foreign currency cycle to the optimum in order to import more raw materials for production. Yet, they were occasionally accused as "illegal traders, public smugglers." People with moral courage who supported the new structure did so openly, but certain other, noncommittal ones, stayed quiet or only tacitly defended those courageous comrades who bore the brunt of diversity. Obviously there were people who only waited for the new structure to fail as in the case of the Con Dao State Fisheries headed by Comrade Nam Ve, in order to demonstrate that their conservative viewpoint was correct. At the end of the third year, foreign currency earnings alone of the corporation quintupled the 1980 income. Failing to present an award seemed weird, therefore, a certificate of commendation was given. A newsman happened to attend medal-giving ceremonies at certain enterprises, one of which had income similar to Seaprodex Corp. With a technician of the latter, he wondered why the corporation was not given a medal. The comrade technician replied very seriously: "Dear comrade, making a lot of money for the state is not necessarily a standard for evaluating the quality and efficiency of a person or a group."

At the conference, the director of the Thanh Cong Textile Enterprise spoke about the linkage process with Seaprodex Corp for the best interests of both businesses. On the textile side, thousands of additional jobs were created and owing to the import of synthetic fibers, millions of meters of high-quality fabrics were manufactured. He related a funny story that we must remember in order to strengthen our resolve to get rid, as soon as possible, of bureaucratic and overbearing attitudes. At one time, the Thanh Cong Textile Enterprise was given a medal while its business was in decline. How could it be? The director immediately inquired with the sector leadership and got this answer: "Among the sector's ebbing enterprises, the Thanh Cong Textile is the least ebbing one; therefore, it deserves a medal."

It was not until the fourth year (1984) that Seaprodex Corp was awarded the Second-Class Medal of Labor.

Looking at the way Seaprodex was rewarded, a certain boisterous person made this comparison that may be true in afterthought: "The country is like a poor family with many children. Those who are diligent and resourceful, who love their parents, make money and save it to support the family are sometimes ill-treated, while those who do not work hard and fool around are pampered and lauded."

[5 Jun 85 p 10]

[Text] 2. Cut Into Pieces, Pierced Through the Entrails

Exports and imports of marine products is a large-scale business encompassing the whole country. It consists of 40 freezing plants and an elaborate system of warehouses, transportation vehicles and cargo ships. It has linkages with localities and other units specialized export and import of marine products. Its labor force comprises nearly 20,000 export professionals, 10,000 frozen product manufacturing workers and other types of service workers, along with 20,000 fishery workers participating in fishing, breeding, maintenance and manufacturing. Its export products include shrimp, laminaria, squid and fish.

Going into 1981, the marine products sector was decadent and near bankruptcy. The state budget was unable to support a sector that experienced nothing but losses year in year out, and no longer provided a balanced allotment of material supplies necessary for the catching of marine products and for the manufacturing of export products. Why those continuous losses that brought the sector to the brink of bankruptcy? Was the cause unknown because no recapitulation was made? Or was it because the sea's supply of shrimp and fish was exhausted or because of lack of know-how in doing business? Nobody could give a straight answer. There was no recapitulation either. As a result, unusual things happened, such as negative people who did not fulfill their responsibilities got pay raises and were promoted. In the meantime, Comrade Nam Ve, director of the Con Dao State Fisheries was lambasted and besmirched just because of the inevitable shortcomings of a vanguard who dared open a breach against the fortress of the bureaucratic and overbearing system. Yet, he was the same man who was lauded as "one who shook the seas and rivers and achieved extraordinary feats" by Comrade Pham Van Dong. At about the same time, Marine Products Deputy Minister H.Q. Hoa, a leader who went to the very grassroots, one who sailed for months aboard fishing boats just to be close to the real workers, was disciplined and about to be brought to court. His mistakes, if any, were far less serious than those of a certain number of cadres who dodged their responsibilities, sat idle to watch the marine products sector falling into decay, and more important, created countless impediments for other cadres who had courageously tried to eliminate the bureaucratic and overbearing structure from the marine products sector. Seaprodex Corp abjectly accepted to survive in total abandonment. For an economic-technical sector whose major portion of material supplies depended on foreign markets and was abruptly severed, it was a dramatic situation of life and death. Should failure be taken with resignation, letting the sector's downfall continue irreversibly to bankruptcy, or should the oversized challenges be daringly accepted? Conceding defeat and dismantling the corporation would not cause anybody to lose his pay or his position, because all losses would be incurred by the party and the state. But accepting the challenges to bring the sector away from its sluggishness and decay was seen by everybody as a course of action with scores of difficulties and hindrances in store and

the risk of easily losing one's salary and job. A search for a new way of doing business was started and it may be said that a group of active and brave cadres, workers and employees of the marine products sector has written a glorious page of its history. The leading men in this search were communist party members who had gone through two resistances. They adroitly made their way through many obstacles set up by the cumbersome, overbearing mechanism to protect the new way of doing business to the end.

Four years of experimentation in exports and imports was a true bridgehead. In 1984 alone, the sector doubled the marine products export objective set for 1985 and brought in an income in foreign currency subsequently used as capital for the construction of physical and technical installations, equipping and replacing 2,000 hydropropellers, building over 1,000 boats, and expanding 25,000 additional hectares of shrimp-breeding grounds. Branches of Seaprodex Corp in Danang and Hanoi closely cooperated with local marine products fishing and breeding units for a bold investment of means, machines and fishing apparatus for fishermen, and were appreciated as places to lean on for production development. The Thanh Loi Corp for Exploitation, Manufacturing and Export of Marine Products in Danang closely connected with the Danang Seaprodex Branch, set aside an amount of dollars to buy a set of high-pressure mercury lamps for Danang, bought commodities and exchanged reserve rice for Danang, and participated in the construction of Con Market. Especially in the North, after years of inertia compared with provinces in the South, 1984 saw a reemergence of the marine products sector with such a speed that upset all export previsions for the marginal potentialities of northern provinces. In 1984, the North's shrimp export earned an income in dollars six times that of 1981. The Hanoi Marine Products Export Branch alone turned in to the foreign currency fund \$897,450. The Cua Hoi, Nghe Tinh Province, Frozen Products Enterprise delivered 27 million dong to the provincial budget, and the Lach Truong, Thanh Hoa Province, Frozen Products Enterprise made a profit of 30 million dong. Speaking before the conference about the causes of that upturn, the comrade deputy director of Seaprodex, manager of the Hanoi Marine Products Export Branch, indicated: "A new and correct management structure is strong enough to bring about great success despite difficulties such as those experienced by provinces in the North." At the conference, representatives inside and outside the marine products sector unanimously accepted the formula, "Self-Planning, Self-Procurement, Self-Payment of Dues" as one with high economic efficiency contributing to the industrialization of the fishing trade. Lessons learned from 4 years of experimentation of the marine products new structure are very useful and practical for many other sectors. This example may be pointed out: Since 1981, the "Self-Planning, Self-Procurement, Self-Payment of Dues" formula has created a longitudinal linkage in the whole sector and from all systems, formed a model of connected and interrelated production organization. From the investment component to exploitation, breeding, purchasing, manufacturing and export, a united production entity was created and linked to marketing, and the national market was linked to the international market. This organizational structure is completely different from the old one which used to be tightly compartmented: the production branch knew nothing else but production;

neither did purchasing; export was done separately, and so was import; everything was separate and as instances, export operations and its receivables were taken care by the bank, while the import of raw materials and material supplies for the fishing trade was the responsibility of another sector that knew nothing about the fishing trade. This was the principal cause pushing the marine products sector toward bankruptcy. In production and business, certain components make money while other lose. Therefore, linkages and interrelations make it possible for various components to support one another and ensure mutual compensation. Cut into pieces, the production component that directly makes products used to be miserable, could at best make ends meet, and had to sell its products at official prices, many times lower than market prices, while the purchasing and product marketing components were the most advantageous and could make money and build additional premises without much toiling. That is the "being someone's cat's paw" syndrome, a negative phenomenon still commonly appearing in industrial, forestry and agricultural production, and also in the cultural domain and in a quite large class of intermediaries who speak more than work and make their living at the expense of mental and manual workers. Wherever hard work is needed and hardship endured, they are seldom present but where interests and profit are at stake, they plunge head first into the competition. I would like to cite an example shared with me by almost every leader of production and business outfits I ran into:

At present, in almost all localities, production and business units participate in export. Manufactured products need not only be of high quality, but their look, their wrapping must be more attractive, and both their contents and appearance must gradually adapt to each foreign market and to the taste of each type of customer. Cadres directly leading production and business and other professionals or highly skilled cadres in the business profession badly need to stay close to foreign markets and must go to countries in our camp or to capitalist countries to learn about them and about us. Heedlessness and inexperience as it is currently observed in production and business cause the annual loss of a nonnegligible amount of foreign currencies."

Directors of certain businesses making leather shoes for export told me: "Sometimes, we were not the persons sent abroad to advertise, to study the most attractive shoe patterns or to buy accessories and machines for our plants, but cadres from higher echelons who knew nothing about shoemaking or at best had rudimentary knowledge about the trade, were sent instead."

The director of a paper plant airily criticized me: "At long last, you have written something about the negative aspects that created difficulties for production and business. But why you still didn't take it an extremely absurd situation which directly affects production, business and export-import to the media: a number of cadres, with too little knowledge about production and business were usually sent abroad on behalf of plants, enterprises, sectors and trades, to seek new markets and new clientele. They didn't buy machines and material supplies needed and, on the contrary, bought certain accessories that could not be used. The actual service they rendered production and business was minimal."

Meeting a director general of a federation of enterprises comprising production and business units both in the South and the North, I asked about the above situation. Said he: "Everybody knows that's unreasonable, but overcoming such a difficulty is no sinecure. At any rate, I would like to suggest to you that some responsible comrades have seen the deep origin of this vicious situation. A comrade stated that it was a negative aspect that obviously took place under the bureaucratic and overbearing period. For so many years, nobody paid any attention to whether or not a business was profitable. Losses were commonplace and those who caused them were still promoted and rewarded when they had enough seniority or when the occasion arose. For this very reason, when we wanted to strengthen the leadership of production and business units and of departments in charge of sectors and trades, we used to assign cadres with adequate political status, or "purely political cadres," who had no knowledge about the sector or trade but who were to occupy management positions. In many instances, when appointing people to go abroad for production and business purposes, our mistake in defining "quality cadres" was using the leftover bureaucratic and overbearing concept, political class, background and rank, instead of talent and know-how in production and business. International fairs, large exhibitions in foreign countries are actual learning centers to introduce new merchandise, new machines and new ways of doing business. They are the meeting places for production and business experts and talents in various domains. Some countries spend millions of dollars to send abroad hundreds of cadres with high technical skills capable of catching the best and the most attractive features for application in their home countries. It is not waste, it is "using a small bait to catch a large fish," a way to investigate the world newest inventions and to find markets and customer taste. Looking at ourselves, there is almost no change. In many instances, a couple of comrades with rudimentary professional skills were sent to international fairs and exhibitions like tourists. They were unable to learn anything new or better, as a certain comrade honestly conceded, he had been completely confused and lost by the eye-dazzling new machines and experiments and unable to learn anything at all. I haven't yet talked about other cadres who could see new and better things that we could learn about, but dared not make an honest report: strangely, they thought, "those things are from capitalist countries," and, "I must keep myself clean," and pretended "unswerving faithfulness" with the hope that their names would be placed again on the next list of international assignments. A certain business corporation was allowed to send abroad a group of cadres but a higher agency demanded that a slot be reserved for one of the latter's cadres. This way of "disputing a piece of the pie" was not for the good of the organization, and was but a form of authoritarianism and extortion.

For this very reason, a ridiculous situation still prevails: representatives of sectors and trades sent abroad are not directly picked from those sectors and trades or know just a little about them.

I asked a director general: "Is it true that a federation of enterprises like yours not only needs to send people abroad but probably has to place permanent representatives in foreign countries in order to follow price fluctuations and market needs?"

The comrade replied: "That's being recommended. If this materializes, our federation of enterprises will foot the bills. However, the agencies that we have to deal with to obtain the authorization said that they needed more time to study the question."

[3 Jul 85 p 6]

[Text] 3. The Human Factor Is Still Decisive

In his concluding remarks, Comrade Vu Dinh Lieu, on behalf of the Council of Ministers, stressed the importance of the recapitulation conference of the national marine products management structure, which had been carefully conducted from base units to local services and departments, and ministry agencies. Seminars about the new structure had been organized in Hanoi. This was the first time a ministry set up a recapitulation for a new structure that came into being from base units after a process of mobilization, research and initiative.

The immediate objective of the marine products sector is extremely important: By the end of 1990, an annual goal of 1 million tons of fish must be reached and the income in dollars must be seven or eight times that of 1985. Whether or not this objective can be accomplished depends on early official approval by the state of the new management structure. The testing period has dragged on for too long and needs to be recapitulated. Lessons learned must be consolidated and disseminated. Will the fishing output soon catch up with the record achieved by the Con Dao State Fisheries headed by Comrade Nam Ve: 37 tons of fish per year per worker? At present, we can go only as far as a little more than one-half or two-thirds of that record. The marine products sector still has many limitations: The shrimp and fish catch is not commensurate with the rich potentialities, the only major export commodity is shrimp, and export prices are still low.

A leading cadre stated at the conference: "A certain cadre saw that his subordinate shifted to the new way of doing business and knew that that was the right way. Yet, he dared not give his support. He'd better resign."

All representatives welcomed this pronouncement but affirmed that such selfish cadres are primarily preoccupied with maintaining their positions and would never resign. They are present everywhere in all sectors, agencies and localities. They are cunning by nature. Seeing their subordinates shift to the new way of doing business without assurance of success, and while contradictory opinions still prevail, they act as on-lookers and wear an appearance of neutrality so that if the new venture fails, they would be safe and untouched. If they feel that the state would certainly approve the new structure, they would dash out in a timely manner and get the glory and the merit of providing good leadership without which a new way of doing business could never have been found. Again, this is another form of "being someone's cat's paw" phenomenon.

The recapitulation report pointed out a few problems that needed immediate attention, including the cadre issue that was closely followed by the conference.

Four years have elapsed since our party issued the historic Resolution No 6 of 1979. Seriously carrying out the party resolution, many cadres shifted their localities and units to the new structure but some other still did the shifting only in words. Until now, everybody talks about fighting bureaucratic and overbearing attitudes but in fact, many cadres are still heavily bureaucratic and overbearing. Realities in each locality and each unit are the gauge of cadre capabilities and quality. Flowery words and bragging cannot conceal forever the fundamental weaknesses of certain cadres: lack of knowledge and aloofness sometimes added to arrogance make their minds easily hardened and unable to assimilate anything new. Two districts are contiguous. Why in District A are the people's gardens luxuriant with healthy plants and fruit trees, animal husbandry and are other trades and sectors developed, and only a few thatched houses are left, while in District B, gardens look dreary, and the people's living standards are far behind? Why in two provinces bordering the sea and having the same fishing potential as Province X manufacture nearly 1 million liters of fish sauce for export and for local consumption, while in Province Y, export is nil and there is not enough foreign currency to import material supplies and fishing apparatus? The outstanding achievement in shrimp export of the North in 1984 may be learned from in order that we may find out what invisible impediment prevented us from earning a large income in dollars for a long period of time.

When speaking about economic difficulties, it is customary to put the blame on natural disasters, enemy plots and, more recently, on the bureaucratic and overbearing system. A quite important cause that may be the chief reason for production and business stagnation is used to being neglected or little discussed: the human factor. As long as bureaucratic and authoritarian cadres are in command in a locality or sector, they naturally tend to attract that locality or that unit into their outmoded concepts. There is no shortage of talented individuals and those who are able to make money. Yet, many are forgotten or their lives are purposely made difficult. That is an extremely great loss. At the recapitulation conference of the marine products sector, representatives were infinitely encouraged when the deputy chairman of the Council of Ministers, Vu Dinh Lieu, instructed that bureaucratic and overbearing cadres must be reassigned to positions where they will no longer be able to impede production and business and create disturbance and suffering for progressive cadres and party members, and that quality individuals with real talents be elevated in a timely manner to key positions. Unfortunately, up to now, certain cadres who used to throw impediments in the way of implementing the new structure by units still retain their leading positions in various sectors. Worst, certain persons who caused heavy losses in money and property and gave hard times to many a production unit because they obstinately hung onto their old style, continue to get promoted. Cadre evaluation standards must be talents, sensitiveness and diligence in production and business, and contribution in bringing profit for the state, and not merely the number of years with the revolution.

The marine products sector's formula "Self-Planning, Self-Procurement, Self-Payment of Dues" and its export spearhead demand a group of versatile cadres expert in production as well as in business. They must be daring enough to stay in close touch with world markets and able to satisfy all types of customers regardless of how choosy they are. They must be knowledgeable enough to mingle with all sorts of professionals and able to improve their skills in investing money and chain-generating profits. They must know how to use money to the optimum to gradually increase the import of raw materials, material supplies and machinery each year, to support production. Losses must be dealt with as defeats in war, and indifference to business losses, which has been common practice in past decades, should no longer be tolerated. Losses are the manifestation of quality and capability decline and anyone responsible must be severely criticized and in case of recurrence, appropriately punished in order that our economic mechanism be gradually rid of those cadres that production and business units used to call "loss specialists."

4. Mandarin or Servant

Commenting in depth on the issue of cadre training in conjunction with the total shifting of the new structure to socialist business accounting, Comrade Vu Dinh Lieu suggested that related academic and professional schools improve their curricula. Representatives at the conference wholeheartedly welcomed that worthwhile suggestion.

Shortly after our party issued Resolution No 6 in 1979, cadre work gradually revealed a severe fundamental weakness: some cadres trained in various national and international schools were too deeply affected by the old structure, were clammed up in old molds and models and were confused or lost when facing the new structure. Worst, certain others panicked with the new wave of change stemming from units.

An innovative idea is like a burgeoning bud and needs to be given timely support. However, not a few cadres with a certain level of education and theoretical knowledge are too reserved and hesitant, or willingly turned away from anything new under the guise of prudence. A certain one stated: "There was no comment from the central government yet," or, "the party secretariat has not yet given the green light." They have lost their dynamism and creativeness, and consider themselves some sort of machinery to execute orders from superior echelons, losing by the same token their daring in independent thinking and acting.

Cadres and party members at unit level are completely different. They understand the true meaning of socialism as a secretary of a provincial CPV committee puts it: "They are able to grasp the essence of socialism. Therefore, they need not wait for any leadership organization to push the button. They would plunge in head first wherever there are productivity and results, and in whatever way capable of making money and profit, since they understand that socialism is closely related to productivity, quality and effectiveness." Many cadres still stick to a principle, by far too obsolete, which consists of waiting for resolutions and directives, drawing pictures, writing speeches,

then going out to talk about the letter and spirit of resolutions. Naturally, there is nothing wrong in doing so but first, our party requires each of us, with our theoretical and technical skills, to stay close to units and from the way they evolve, learn the experience and lessons, or pull out issues that need further elaboration in order to contribute to the formulation of resolutions and directives.

Under the bureaucratic and overbearing system, everybody waited for resolutions and directives from higher levels. Things went differently in recent years. Directive No 100, Resolution No 6 of 1984, the Price Subsidy Resolution and the Food Coupon Elimination Resolution passed by the Eighth Plenum of the CPV Central Committee all stemmed from ideas from units and were formulated with the talents and intelligence of millions of people. Regardless of how good a resolution is, its correctness is only relative and it must be proven and gradually improved at the base units. Life goes on under unceasingly changing conditions and production and business, always in need of new and creative ideas, and demands new resolutions and new directives.

The unit is the very place supplying facts and materials for the formulation of resolutions. Strangely enough, for so many years, many cadres were far off from units, and it may be said that many were completely detached from units. The function of many synthesized agencies is to be the ears and eyes of the leadership, and the bridges between realities in units and the leadership. But many cadres of those agencies rarely went to units. Their main sources of information were conferences, but unfortunately our conferences in general are low in quality, and reports presented are usually curtailed and amputated, let alone those artificially embellished to boast of achievements and to deceive high echelons.

It is not true that there are no cadres who did nothing but go to school and attend meetings year in year out, who, from their youth to middle age did nothing but go to meetings and to schools inside and outside the country and who never passed a night at a village in decades. The farther they stayed from units, the more were the realities of life emptied from their heads and were blurred, and all that remained was a handful of withered principles and dogmas. Their revolutionary substance gradually faded away and no wonder that they became a sort of male or female mandarin. Wherever those mandarins captured important positions, they supported and promoted one another. Bureaucratic and overbearing attitudes are synonyms of severe infringement upon internal democratic principles, and those cadres never liked different ideas simply because they were used to honeyed words and flattery. They would unscrupulously promote beyond normal rules a person who demeaned himself to heartily attend upon them or cunningly demote an honest subordinate who dared differ with or confront them.

Recently, a certain sector organized a recapitulation conference and set aside the last day to discuss the fight against passivity. Representatives from several sectors of the central government and from a few localities

were invited. Long lines of small sedans were parked on the curbs and on the lot of the conference site. I happened to be in the area and overheard one talking to another: "These men are meeting here to fight passivity. But I wonder if they really want to fight it in themselves or just give lip service to no avail."

Heated discussion and harsh denunciation of passivity resulted in nobody cited for being responsible for the ills, and in the end, nothing happened but the status quo. For many years, at recapitulation and summary conferences, lots of criticisms were made about deficiencies, lots of verbal regrets were expressed for causing losses, but seldom was any individual cited by name as being responsible. It is easier to attribute achievements to individuals, sometimes with mutual haggling, but deficiencies and mistakes are generalized and the blame put on the whole sector or evenly divided among the group.

In late May, the party newspaper made an accurate and serious observation about an abnormal situation that has dragged on for too long: "Our school system has formed some cadres who are not servants but mandarins."

Running into a comrade from the central government, I asked him about the degree of seriousness of the "revolutionary mandarin" syndrome. He tried to encourage me:

"The bureaucratic and overbearing regime was a good breeding ground for the mandarin phenomenon, and as our party is advocating the shift to a new structure, we obviously ought to awaken those mandarins and help them in their self-reeducation in order to accomplish the missions entrusted by the party. The role of the press is very important. It must sound the alert to stamp out the danger before it worsens. I only hope that when you write your articles, you will pay attention to both subjective and objective causes, such as many standards contribute to the making of overbearing cadres from head to toe, our cadre policies present many deficiencies, and cadres graduating from certain schools and knowing how to get into someone's grace are promoted faster than those who toil at units. Remember that the first standard for a quality cadre is to stay close to the movement, to the unit, and to normal people. Short of that, the 'mandarin' prevails."

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AGRICULTURE

AGRICULTURAL COOPERATIVIZATION IN SOUTH IN 1985

Hanoi NONG NGHIEP in Vietnamese 15 Jun 85 p 3

[Interview with Comrade Doan Trong, chief of the Agricultural Cooperativization and Production Department: "Agricultural Cooperativization in the South Fundamentally Completed in 1985"; date and place not given]

[Text] Up to now the movement for agricultural cooperativization in (old) Nam Bo has taken on a new development. Nonetheless there have also developed some deviations that must be corrected in a timely fashion in order to implement well the motto "quickly, vigorously and solidly" so that the cooperativization movement can be fundamentally completed during 1985.

We would like to introduce to our readers the opinions of Comrade Doan Trong, chief of the Agricultural Cooperativization and Production Department, in the following interview.

Question: In your opinion, what are the most outstanding results of the agricultural cooperativization movement in Nam Bo at the present time?

Answer: Since 1977 the agricultural cooperativization movement in the provinces of Nam Bo have gone through many ups and downs but in the last few years, especially since the beginning of 1985, the movement has developed strongly. This is a favorable trend for the movement to go up.

From the initial stage when we did not have enough experience to the time when we have accumulated many experiences, we have been able to draw extremely useful lessons that helped to develop the movement "quickly, vigorously and solidly."

By now, the provinces of Nam Bo have organized 31,206 production brigades and 496 agricultural cooperatives, which accounts for 72.5 percent of the total number of households and 66.1 percent of the acreage. Thus, compared to the end of 1984, by the beginning of 1985 we have made 117 percent progress. The organization of the farmers into the collective way of life is expanding due to the volunteerism which is growing ever higher in all localities, regardless of ethnic or religious groupings.

The movement has brought about outstanding results. First of all, we have fundamentally erased exploitation in the countryside. The organization of the farmers into production brigades and cooperatives has been closely linked to the boosting of production, the application of scientific and technological progress to the building of material and technical bases, to the boosting of irrigation works meant to expand acreage, to allow for intensive cultivation and crop multiplication, and to develop production. Most production brigades and agricultural cooperatives have reached their productivity norms and the large volume of rice production as compared to before has strongly influenced those farmers still engaged in the individualistic way. The cooperativization movement has step by step also linked up with the organization of small and cottage industrial cooperatives, with the organization of selling and buying or credit cooperatives, or the whole thing has been organized as one body in a production brigade or cooperative (agroindustrial trade and credit cooperative). Thus, in reality the reform of agriculture has been linked to the reform of industry and trade from the very grassroots.

New patterns have also been formed and worked effectively, such as the various forms of intergrouping businesses and economic alliances, or cooperative arrangements among the production brigades, between the production brigades and the tractor groups, between the production brigades and state-operated agricultural and industrial sectors, etc. This has created the conditions for developing processing and the consumption of products, for developing technical services, for developing animal breeding and various professions and branches right at the grassroot level. On the other hand, that is also one way of actively preparing to raise the organization to a higher level in a firm manner.

In management, we have taken initial steps to improve things in accordance with the new mechanism for management, in exact accordance with the spirit and content of Directive 100 of the party Secretariat and Resolution 154 of the Council of Ministers regarding product contracting to laboring groups and individuals.

The job of training and inservicing cadres, the job of consolidating and building the party, the local authorities and the mass organizations, the strengthening of the district and village levels are closely linked to the cooperativization movement, thus affecting in an important way the boosting of the agricultural reform work.

Question: Are there any remaining problems, deficiencies or deviations that need to be overcome?

Answer: There are the following problems:

The movement has not developed equally well. Some areas have seen the movement develop slowly despite the favorable natural and social conditions there. Other localities have the tendency to go after numbers, when they see that all around them the cooperativization movement has been fundamentally completed, they rush their speed, not basing such decisions on objective conditions, thus they unavoidably do not escape a strained and perfunctory type of operation.

Generally speaking, production has increased but most production brigades and cooperatives have not yet concentrated on building the material and technical bases and implementing intensive cultivation measures. There is still widespread rice monoculture. We have not yet paid attention to developing secondary crops and industrial crops, especially those of high economic value or high export value. We also have not yet paid attention to developing various professions and branches, animal husbandry, small and cottage industries. The amount of days devoted by cooperative members to the collectives is still low, and it is a widespread phenomenon that at the present time each laborer reaches on the average only about 100 workdays per year. In the implementation of product contracting to people and groups, many localities have not come up with economic and technical norms, which is why the quality of contracted products has not reached the requirements. The income of cooperative members has not come essentially from the collective economy. There also remains the situation of products being stacked up in warehouses. The number of average and weak brigades is still rather high. Those newly established brigades formed at the end of 1984 and especially at the beginning of 1985 compare favorably in terms of numbers with other years but the number of those that have not entered collective production remains high, accounting for about one-third of the total number of brigades. Some localities have declared that they have fundamentally completed their cooperativization work but the number of newly established brigades which have not joined the collective production pattern is as high as 90 percent of the total. And it is not only the newly established brigades that have not gone into collective production, some of them have had two or three production seasons but still have not gone into collective production patterns.

As far as the cadres are concerned, both the managerial and professional types have not been developed adequately.

Question: To fundamentally achieve full cooperativization in 1985, would you please tell us what needs to be done and how.

Answer: We must at the same time concentrate on the struggle to organize the farmers and get them into production brigades, thus fulfilling the quotas that have been set forth by the center, while at the same time focusing on consolidating and raising the quality of production brigades and cooperatives that have been established.

These two aspects are intimately related. Our number one task is to fundamentally complete the cooperativization process at the optimum level both in quantity and in quality. Consolidating and raising the quality of the brigades and cooperatives are important. Once we do this task well, it will influence the other task mentioned above.

We must pay attention to two tendencies: one is to run after quantity and to disregard quality; and the other is not to actively prepare all the conditions needed before proceeding to organizing the brigades.

Basing ourselves on the common tasks, we should proceed with the rearrangement of the fields and grounds, determine the directions of production and the scale of the brigades. Then on this basis, we should determine the number of

brigades that one should have. The general direction is to concentrate on developing production brigades whereas the cooperatives should be experimental points (or points for the enlargement of the experiments). Outside of that, we need to fix a schedule for continuing to organize the remaining individual farmers into collective patterns wherever there are conditions for doing so.

We must pay attention to the following jobs: the management of the brigades and cooperatives, the planning of production on the basis of enlarging the collective ownership regime as far as production materials are concerned, especially in terms of land. We must pay attention to the work of selling our products, of developing professions and branches, and of implementing the new mechanisms for management. We must pay attention to the work of professional management, such as the management of the plan, the management of labor, and financial management, etc. We must pay attention to giving guidance regarding the development of various forms of grouping businesses and business alliances so as to prepare well for raising the cooperativization level to a higher and larger scale (i.e., middle-sized cooperatives).

We must pay attention to actively train and inservice cadres, even in those localities that have completed their cooperativization. We must strengthen the consolidation and building of the party organization, of the local authorities, and of the mass movements, especially at the grassroot level. We must strengthen the organization of the network for reforms and professional management from above down to the grassroot level, especially at the district and village level, in order to guarantee the fundamental completion of the cooperativization process according to schedule and the perfecting of the socialist production relations which have thus been established.

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AGRICULTURE

CAUSE OF SERIOUS LOSSES IN COLLECTIVE DRAFT ANIMALS SOUGHT

Hanoi NONG NGHIEP in Vietnamese 15 Jun 85 p 4

[Article by Vu Hong Anh: "Why Has the Collective Buffalo Herd in Que Vo District Been Seriously Reduced"]

[Text] This winter-spring season the draft animal herds in many localities in the provinces of the North have died and succumbed by the tens of thousands. To understand the cause for it, recently I went back to Que Vo, Ha Bac province, to study the questions of management, breeding and utilization of the collective draft animal herd. Hopefully, from such investigation we can draw the necessary lessons of experience.

Que Vo District has the characteristics of both a midland and a lowland area. It has 13,000 hectares of acreage; the fields are uneven with some up high and others lowlying, including many spots that are even depressed. The 25 tractors that are available do not get fully utilized every year: even in the best of years only 36 percent of the acreage gets worked by tractors, and in an average year only 15 to 20 percent. The draft animal herd which is essential in the work of soil preparation is, therefore, extremely well regarded. The contracting and management and utilization of the animals also received close guidance, which is why in the years preceding 1980 few of them died or succumbed. But in the last 4 years the herd has been seriously reduced. The whole collective herd in October 1982 was 4,440 head; at the same time in 1983 that was reduced to 4,067, and in 1984 to 3,316 head. Finally, in April 1985 there were only 2,405 head left, and quite a few of those are old and thin and incapable of doing draft work. During the same period the number of buffaloes herded by private families rose from 413 to 1,421 head, and the number of oxen and cows rose by 3,615 head during 1984-1985. In some villages the collective buffalo herd nearly died altogether whereas the private family herd of oxen and cows multiplied significantly. The large-scale cooperative which is village-wide in Viet Hung has lost over 400 head of buffalo since 1982, and at the present time it has only 47 head left, of which 10 are much too thin, forcing the cooperative to sell them to private families so that they can breed them. In the meantime the private family herd of draft animals rose to over 500 head. Many other cooperatives such as Yen Gia, Dai Xuan Dai Phuc, Van Guong, Van Lang and Tien Hung had to leave a great many fields uncultivated or had to do the sowing of seed and transplanting late because of lack of draft power.

At the beginning of the year, the comrade chairman of the district people's committee sat in conference with the managerial and technical cadres and he asked them: "Why is it that the collective draft animal herd has been seriously reduced in recent years?" Many causes were cited by everybody, among which was advanced the excessively poor work of management of the animals upkeep. According to the comrade head of the district agricultural office, Que Vo has 61 cooperatives but very few of them have cells or groups directly responsible for soil preparation that would be in charge of the draft power in a concentrated fashion, instead most of them employ the rotation principle with people taking turns. I have gone back to a number of grassroot units and found this to be the truth. Viet Hung Cooperative which used to be the district's banner in all-round competition has nonetheless neglected the management of draft animals. By the time they get to use the animals, the cooperative members make them work to excess. The comrade secretary of the party organization told me that the cooperative's acreage increases year by year but the draft animal herd is too small, causing people to use the animals at such a level of intensity that even the strong ones which can work hard tend to be the ones to die early for the simple reason that when their turn comes everyone wants to get hold of the strong ones.

It used to be that Viet Hung Cooperative contracted out the upkeep of a buffalo head and paid 300 to 400 kg of paddy husk per year, but by now it has turned to paying in workpoints and still the situation of the animals is not any better. Why is it that before Viet Hung Cooperative had such a tradition of keeping fat and strong buffaloes and oxen and now the situation has deteriorated so much? According to the comrade secretary of the party organization, this is the product of many causes but the essential one still remains the neglect of management work; no one seems to be concerned when collective draft animals die or succumb in great numbers. On the other hand, the privately bred draft animal herd is expanding rapidly, the animals are fat and strong because they get well taken care of.

When speaking of the upkeep of buffaloes and oxen one must think of their feed, which consists of hay and grass. Grass sources in Que Vo are not that lacking. But the bad habit of pulling up the grass by the roots in order to have stable padding all year round has practically eliminated this source of grass. In May when the grass is just starting to grow back again it is at once cleaned up. Anywhere I went and in all the villages I visited one could see this phenomenon at work. Then how can one expect to have enough grass for feeding the animals? In recent days many cooperatives, villages and the district have issued orders forbidding the cleaning up of all the grass. How about the situation regarding hay? Every year the district has issued guidance to reserve 50 to 60 percent of the hay for the upkeep of draft animals but this has not been strictly implemented. The households in charge of the upkeep of the collective draft animals usually use the hay for cooking fuel or to feed their own private herds. In February this year the comrade head of the district agricultural office went with the cell secretary of the Dong Chue Cooperative (Nhan Hoa village) at night to check on the breeding of the animals in a number of households, they found out that many of the animals did not get any hay. When asked why, the household heads answered: "We were too busy and did not have time to bring in the hay!" The inspecting comrades had to pull the hay for the animals themselves. When they left, the household breeders retrieved

as best as they could all the hay that the animals did not have time to eat up. As for the stables, they are both mired in mud and empty, whereas right next to them are the privately raised animals with their stables fully sheltered and stocked with hay. Great was the disappointment of the comrade inspectors: "If they raise them this way, it is no wonder that the collective animals die in the end."

Poor upkeep and excessive use of the animals have caused diseases to develop in the animals, especially parasitic ones that depend on the blood vessels. Cach Bi Cooperative, which had 167 head of buffalo, lost 59 of them last year, most of them toward the end of the soil preparation time for the spring crop. Of this number 23 head were in the 7- to 10-year-old range and 12 were calves barely weaned. Sister Kha, the cooperative's technical cadre, said: "These for the most part had diarrhea and became crippled; when they die the autopsy reveals a lot of taenia in the liver which has grown to be like the residue of husked mung beans (with many white spots). At present there remain 32 thin and weak ones, of which 19 have persistent diarrhea; they have been given many kinds of oriental medicine, including high doses of antibiotics, but they have not got rid of it. We believe the animals to be infected by flagellate bacteria and liver taenia."

There are those who believe that in the process expanding the district's animal herd some diseases have been introduced by imported animals. In 1982 Que Vo bought 144 head from the mountain districts; 359 head in 1983; and 624 head in 1984-1985. These animals may have had flagellate bacteria in them at a latent stage, when they get to the district they do not get well taken care of, instead they work hard right away, which causes them to succumb. During the same time, Giang Lieu Cooperative which bought some 40 head from the mountain areas of the province also saw nearly all of them die because of the flagellate bacteria disease. According to the comrade deputy chairman of the district people's committee, every year the district has organized the vaccination of Nagana at a number of points but because there was not enough of the vaccine there was no way to overcome the disease. At the present time, this disease and liver taenia combine to kill or incapacitate many draft animals. Faced with this situation, the comrades in charge of the district are concerned about this fast rate of reduction of the draft animal herd but they do not as yet have a solution for overcoming the problem. To maintain and develop the draft animal herd in the cooperatives, the key question at the present time is to implement strictly the contracting and management procedures with regular inspection and supervision; one must put a stop at once to the situation of rotating the animals and taking turns in using them for purposes of soil preparation; one must establish cells and groups in charge of soil preparation directly under the order of the production brigade. At the same time, one should boost the raising of draft animals in combination with breeding them so as to have a lowland breed more accustomed to the conditions of the lowlands, a breed that is both strong and disease resistant. Que Vo has 17 villages on the banks of the Duong and the Cau rivers, over 50 km of dikes and many silting banks which are favorable for the breeding of draft animals. But so far the district has not been able to promote this strength because the grassroot units have not correctly implemented the policy of encouraging animal breeding. For instance, many units have pushed the price of calves much too low: 2,500 to 3,500 dong per calf, with 75 to 80 percent going to the breeder. Meanwhile the market value of a calf is actually 20,000 dong per head.

In the days to come, the district advocates the bolstering of draft animal husbandry in combination with their breeding in the two areas running along the banks of rivers through the implementation of appropriate leveraging policies. This is a correct decision, but in the immediate future Que Vo still needs to buy draft animals from other areas to do its cultivation work. The important thing is that the mountain animals brought to the lowland must have their vaccinations, they must be fed well and well taken care of and gradually broken into work, going from little to more work, from light to heavy work. Should one submit the animal to a lot of work while giving it too little to eat, allowing it no time to adjust, it will grow thin and weak quickly. In such situations, the parasitic diseases that are latent in the animals may develop and cause the animals to sicken. It is for this reason that the work of contracting and managing animals must be given attention. In this way, Que Vo District will quickly restore its draft animal herd and respond to its own needs for intensive cultivation.

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AGRICULTURE

IMPROVE CONTRACTING, MANAGEMENT OF COLLECTIVE DRAFT ANIMALS

Hanoi NONG NGHIEP in Vietnamese 15 Jun 85 p 4

[Article: "Improve the Work of Contracting and Managing Collective Draft Animals"]

[Text] For many years now, collective draft animals have been assigned to cooperative member households for herding. Using rational contracting and management formulas, many localities have been able to maintain and expand their animal herds, thus answering the requirements for draft power in the service of intensive cultivation. Te Lo Cooperative (in Vinh Lac District, Vinh Phu Province), for instance, did not lose one single animal in six production seasons in a row, and its herd increased twofold. Dai Dong Thanh Cooperative (in Thuan Thanh District, Ha Bac Province) has bred the draft animals while allowing them to reproduce, thus having become entirely self-sufficient in draft power. Such examples are found in every province and district but because the organization of guidance has not been done well they have not been duplicated widely. At present, there still remain relatively many units that neglect the contracting and management of the collective draft animal herd, a neglect which has caused much damage. This last winter-spring season tens of thousands of buffaloes and oxen died and succumbed to hunger and cold or because they had been worked to death. Some provinces have lost 8,000 to 9,000 head, and some cooperatives have lost more than half of their total number of draft animals. If they do not get taken care of, those that remain will not have enough strength to work during the main season. In 1985 and in the coming years, the tasks of food production and production of industrial crops and export crops remain very heavy. Intensive cultivation measures, among which there is the measure of good soil preparation according to schedule, must be implemented at all cost. At the present time, our capacity for mechanical soil preparation is still limited. This is why it has become extremely urgent to increase our draft animal power. The experience of cooperatives with good animal husbandry records, those which have been able to solve on their own their needs for draft power, has shown that we must contract the breeding of draft animals if we want to have high economic efficiency, thus putting a stop to the situation where a great deal is expended and yet the animals are still thin and weak or die and the units involved still do not have enough draft animals. The contracting method must be able to link the responsibility and rights of the breeder and of the cultivator with the final product, which is the end result of the pulling and

cultivation work contributed by the animal in each and every production season. Many cooperatives have had the experience of assigning the animals to those households which include the cultivators so that the utilization of the animals becomes rational. The breeding points are paid for based on the soil preparation points accumulated by each animal. If the animal has accumulated a certain number of points, then its master is paid a corresponding number of points. The above two kinds of points are added to form the basis for distributing hay, thus guaranteeing the principle of "receiving a lot if one works a lot, receiving little if one works little." Nonetheless, one must pay adequate attention to whether it is a stockbreeder or a pregnant female, or it may be a calf not yet of age to do draft work. Such methods of contracting and managing the animals make the breeder and the cultivator pay attention to protecting the herd.

Realities have shown that whenever the animals are given adequate grass and hay and are expected to do only a fair amount of work, then they are always in good health. For this reason it is important to leave out enough hay for feeding the draft animals. As soon as we are through with harvesting and threshing we must dry the hay at once, implementing the slogan "as soon as the paddy husk is dry one should abandon it to go and dry the hay," thus insuring that the hay remains white, smells good and is appetizing. The cooperatives must have people assigned to follow up on the breeding and utilization of the animals in accordance with the spirit of the guidance circular of the Ministry of Agriculture regarding the contracting and management of draft animals: the production team must have its own cell and group specialized in soil preparation, which works in accordance with the plan of the cooperative. We can also divide the animals into little groups with each animal in charge of soil preparation over a certain acreage in the vicinity of the cooperative member household in charge, but there must still be cells and groups specialized in the cultivation and harrowing of the fields. One must absolutely not assign the animals by turns to the households that contract out fields to do their own soil preparation.

The lowlands have large cultivation acreages, and every year they have to buy animals from the highlands to have enough for cultivation purposes. These animals take time to get used to the climate, the land, and the heavy work, if they are asked to do more than they can handle, they succumb easily; they must, therefore, be well taken care of and given work that is light as well as work that is heavy. On recapitulating on their animal-breeding experience, many localities have said that lowland draft animals have a higher sustaining capacity, they have strong draft power and do not fall ill easily. This is why it is extremely necessary for us to boost the breeding of draft animals while combining it with getting them to reproduce on the spot so as to solve the draft question in the locality.

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